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Social Assistance in Canada, 1994 is an unpublished manuscript which was prepared in the Social Policy Branch early in 1994 in the context of a study of social assistance in the 24 member countries of the Organization for Economic Cooperation and Development (OECD). The unedited manuscript is included here for its possible value to social researchers who may be interested in the subject. The manuscript does not cover changes in the area of social assistance in Canada since March 1994, such as the introduction of the Canada Health and Social Transfer.

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- In January 1994, the University of York in England undertook an international comparative study of social assistance schemes in 18 member countries of the Organization for Economic Cooperation and Development (OECD) at the request of the British government. The OECD later asked that the remaining six OECD countries be surveyed as well.
- The study consisted of a two-stream approach: for each country involved in the study, an "expert informant" (academic) and a "national government official" received a questionnaire on social assistance programs. The questionnaires were different from one another - federal government officials were asked to provide factual responses to over 70 questions, while the academics' questionnaire focused more on an in-depth critique of those same programs.
- The two Canadian respondents in this study were Dr. Patricia Evans (School of Social Work, York University, Toronto) and Gilles Séguin (Social Program Information and Analysis Directorate, Human Resources Development Canada).
- Both completed Canadian questionnaires were returned to the University of York in England by the spring of 1994. The time frame for the study was then extended to allow for the input from the six countries added by the OECD. The "Canada" section of the final report is based on the factual information in these pages and the critical views of Dr. Evans. Information concerning the block funding plan for social programs announced in the 1995 federal budget was added in the final draft of the report.
- In March 1996, the OECD released the study as a two-volume report:
 - *Social Assistance in OECD Countries: Synthesis Report*, and
 - *Social Assistance in OECD Countries: Country Reports*.

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Question # Section One: The Structure of Social Assistance

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 - recipients as % of the population
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- 68. What is current Canadian government policy concerning SA?
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Definition of social assistance

The term 'social assistance' does not have a fixed or universal meaning. For the purposes of this study we are concentrating on those income-related or means-tested benefits, available to people whose resources are officially held to be insufficient to maintain a minimum standard of living without such additional help. There may be other forms of benefit, relief or concessions and services available on a means-tested basis and linked with social assistance, and we ask about these in Section Two. This covers, for example, help for people in work but with low incomes, such as the British family credit benefit or the USA's earned income credit. Section Two also deals with means-tested help with housing costs. The main focus in this section is on the core schemes for guaranteeing sufficient or minimum resources.

1. What social assistance schemes exist in your country? Please list these and describe them briefly.

Each of Canada's ten provinces and two territories⁽¹⁾ designs, administers and delivers its own social assistance program to persons with insufficient income. Entitlement is based on a needs test⁽²⁾, which takes into account the assets and income of the applicant's household and its basic needs (food, clothing, shelter and utilities, household necessities and personal needs), as defined in provincial legislation. Provinces also establish various administrative and categorical eligibility requirements for those applying for benefits.

The federal Department of Indian Affairs and Northern Development is responsible for social assistance to registered Indians living on reserves. Programs are delivered either by the provincial government or a Native agency (depending on the province) in accordance with the prevailing social assistance rules and regulations of that province; the Department of Indian and Northern Affairs covers the entire cost of such assistance.

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2. Which tiers of government are responsible for administering these schemes?

The federal government does not administer (deliver) assistance programs directly; it does, however, contribute under the Canada Assistance Plan towards the cost of approved expenditures incurred by the provinces and municipalities in the provision of such assistance.

Most provinces administer a single, unified social assistance program; long-term benefits are distributed from the provincial Department of Social Services (or its equivalent), while short-term benefits and emergency assistance are issued from local or regional offices of that Department. In Manitoba, Ontario, and Nova Scotia, the provincial authority grants assistance where the client falls within a category which has been characterized as contributing to long-term need, while each municipality is responsible for providing support to its residents who are in short-term need situations, such as unemployed employable persons. These three provinces are said to have a "two-tier" social assistance system.

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3. What are the main general conditions of entitlement to social assistance?

Financial Eligibility: In general terms, the only eligibility requirement for social assistance is need, regardless of cause. The **needs test**² involves a comparison of each household's financial resources with its needs. First, the total value of the household's non-exempted **assets** is established and compared with maximum allowable levels set by provincial regulation; these allowable levels vary across provinces and, within any given province, for different client categories. If assets do not exceed allowable levels, then the client household's **income** from non-exempted sources is compared with needs. Social assistance may be granted where a budget deficit exists, i.e., where the cost of needs exceeds the non-exempted financial resources of the household of the applicant or recipient. In some provinces, the cost of regularly-recurring special needs⁽³⁾ may be added to basic needs for needs-testing purposes.

Assistance is also available in some provinces where the needs test² reveals a budget surplus (i.e., non-exempted income exceeding needs) which is insufficient to cover the costs related to special requirements or unexpected situations; for example, an applicant may be eligible for social assistance in an amount sufficient to cover **only** the cost of a particular non-insured health service or a social service (e.g., visiting homemaker), provided the person is otherwise eligible.

Administrative Eligibility: In all provinces, social assistance legislation provides for certain basic administrative requirements in the establishment of an applicant's initial eligibility. Depending on the province and the circumstances of each case, an applicant may be required to:

- submit a duly completed application (usually on a prescribed form);
- provide evidence as required in support of the application for assistance, such as proof of age, a medical certificate to confirm disability, a separation agreement, bank books, pay cheque stubs, etc.;
- meet with a worker to discuss the financial and social situation of the household (this requirement may be waived in some cases, such as emergency and short-term assistance);
- provide written permission to the administering authority to verify any statement made in the application and any supporting documents concerning financial resources or any other

circumstance of the household; and

- agree to report any change in circumstances that might affect eligibility or the amount of assistance to which the household is entitled, such as the death or departure of a family member or additional income from work or other sources.

Categorical Eligibility: Applicants are categorized according to the reason they are requesting assistance, aside from financial need. Client categories vary to a certain extent from province to province, the main ones being the aged, the disabled, single-parent families and unemployed employables. Specific conditions of initial and continuing eligibility exist in all provinces for certain categories. For example:

- a single parent is required to pursue an absent parent respecting his or her right to child maintenance payments or to subrogate that right to the government;
- an employable person must agree in writing to accept suitable employment or to engage in training or other measures to reach a state of job-readiness.

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4. What is the youngest age at which individuals can claim social assistance independently?

Under normal circumstances, a person may apply for social assistance in his or her own right at the age of majority (18 or 19 years of age, depending on the province). In difficult circumstances (usually related to family breakdown for one reason or another), a young person approaching the age of majority who leaves the parental home may be eligible for assistance as a single person.

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5. What conditions of residence or nationality are attached to receipt of social assistance? In particular, in what circumstances are non-nationals entitled to claim benefits?

Residence in a particular province for a minimum period is not a condition of eligibility for social assistance, except in Nova Scotia, Ontario and Manitoba, where municipalities are responsible for the delivery and a portion of the cost of short-term assistance. In these provinces, an applicant's period of residence is a determining factor only with respect to which municipality or level of government is responsible for the cost of any assistance granted to that person and any dependants.

Sponsored immigrants and nominated relatives (under the federal *Immigration Act*) are generally not eligible for social assistance unless there is a breakdown in income support from the sponsor or nominating relative; refugee claimants are eligible for assistance as soon as they submit a claim for refugee status or when their claim is decided upon, depending on the province. In the latter case, emergency assistance (minimal income assistance to prevent undue hardship) may be granted pending a decision on the claimant's request for refugee status. Emergency assistance may also be granted in most provinces (in

extenuating circumstances) to other non-nationals who are ineligible for regular assistance based on the merits of each case.

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6. **Under what conditions would people from other European Union countries be eligible to claim social assistance? (EU countries only)**

Not applicable

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7. **Under what conditions are refugees and asylum seekers entitled to claim social assistance?**

[See question #5.](#)

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8. **Is entitlement to any social assistance payments 'portable' to other countries?**

Normally, clients can receive social assistance benefits only at their usual place of residence. "Portability" of benefits to another province or country occurs only where the client has a valid reason for being absent, such as an approved special medical treatment or educational program. Of course, a client who relocates to another province may apply for social assistance in that province, subject to the normal eligibility requirements.

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9. **Does your country have reciprocal agreements covering social assistance with any other countries? If yes, which countries?**

No.

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10. **Are recipients of social assistance required to be seeking work? If so, how does this vary for different groups, such as lone parents and people approaching retirement age?**

Social assistance programs include a number of measures designed to promote the entry or re-entry into the active labour force of able-bodied unemployed clients. These measures may include different exemption levels on assets and income than for the general caseload, different benefit levels and a wide range of employment support services and programs, some of which may be compulsory for clients in this category. Some provinces may require unemployed employables, depending on their circumstances, to sign (and adhere to) an individualized contract that stipulates training and rehabilitation measures to be undertaken in order to regain financial independence. As a general rule, though, assistance may be granted to unemployed

employable applicants only when the administering authority is satisfied that:

- any current unemployment is due to circumstances beyond the person's control;
- the person is willing to accept suitable employment or to engage in academic upgrading, retraining or other measures to reach a state of job-readiness; and
- the person is making reasonable efforts to secure employment.

Treatment of single parents and clients approaching retirement age varies greatly. In some provinces, a single parent is considered "unemployable" (and expectations concerning employment or training are waived) until the youngest child in the household reaches 12 years of age; at the other extreme, some provinces require single parents to actively seek and accept employment or training opportunities as soon as the youngest child in the family is six months old. Most Canadian provinces have recognized that unemployed people over 50 (or 55, in some places) are at a disadvantage in the labour market (especially with official unemployment currently running at over 10% nationally), and they tend to relax job search requirements for clients above that age bracket (or, at the very least, they consider each such case on its own merit).

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11. How are people required to demonstrate that they are 'seeking work'?

Some provinces require an employable client, as a condition of continuing eligibility, to agree to submit written confirmation of active job search upon request (sort of an honour system with the possibility of a demand for proof) by the administering authority. Other provinces require employable clients either to re-apply for assistance each month (and thus to report to a worker on a regular basis concerning their attempts to find work) or to submit a specific list of potential employers contacted or interviews attended. In some cases, the administering authority may even stipulate the minimum number of such contacts or interviews per month (depending on the economic circumstances of the province and the personal situation of each employable client).

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12. What links exist between receiving social assistance payments and participation in training or special work schemes? To what extent are these compulsory?

Each province's social assistance legislation contains a list of possible sanctions which may be imposed where an employable client refuses or abandons work or training which is deemed (by the administering authority) to be appropriate to that client's situation. These potential sanctions include suspension, reduction or termination of benefits. The actual level of enforcement of these sanctions varies across provinces; within each province, they are enforced with more or less vigour, depending on the prevailing economic, political and labour market realities. Québec is the only Canadian province which applies its

regulated sanctions⁽⁴⁾ systematically in all cases of refusal or abandonment of work.

Many provinces have special employability enhancement measures which are offered to clients in various stages of job-readiness; these might include remedial education courses, on-the-job training, and community works projects. These special measures are not compulsory, and clients who participate usually receive supplementary assistance in recognition of the extra costs they incur, such as those for day care and transportation.

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- 13. Are there any other opportunities or requirements for social or economic integration linked to receipt of social assistance? An example might be the 'contracts' entered into by recipients of the Revenu Minimum d'Insertion in France.**

The Federal-Provincial Agreements on Enhancement of Employment Opportunities for Social Assistance Recipients (also known as the "four-cornered agreements") were signed in the mid-eighties by Health and Welfare Canada⁽⁵⁾, Employment and Immigration Canada and provincial departments responsible for social assistance and labour markets. Under the terms of these agreements, federal funds were diverted from the Unemployment Insurance program and the Canada Assistance Plan in order to facilitate the entry or re-entry of employable social assistance clients into the labour force. The agreement provided for increased participation levels by social assistance clients in federal training programs and pilot projects to improve job-readiness. Changes were also made to the *Canada Assistance Plan* to allow federal cost-sharing of certain provincial enhancements to their earnings exemption policies and their provisions concerning supplementary assistance to clients in their transition to work. All federal-provincial agreements are still in effect today.

The federal and provincial governments provide a wide range of programs and services to help Canadians improve their skills and employment prospects. Some of these initiatives include higher participation targets for social assistance clients, e.g., a particular training program may designate a certain number of available spaces for social assistance recipients.

Aside from the initial application for assistance⁽⁶⁾, the only real "contracts" entered into by social assistance recipients are action plans for employables (see question #10) and reimbursement agreements (see question #53).

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- 14. Are people allowed to work while receiving social assistance? If so, under what circumstances and for how many hours per week?**

Yes. There are neither conditions nor restrictions concerning eligibility of an employed applicant or recipient in any provincial social assistance

program, except that net income from work exceeding exemption levels reduces benefit entitlement ([see question 27](#)).

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15. Is eligibility for social assistance based on individuals, families or households?

Eligibility is established on a "household" basis. A household may consist of a single person, a married or common-law couple with or without children, or a single parent with one child or more. ("Case", as used elsewhere in this questionnaire, has the same meaning as "household".)

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16. If it is based on families or households, which members of a family or household would normally be included within the 'benefit unit'?

The applicant, his or her spouse and any dependent children, as well as any other person residing in the household who is included in the benefit unit for the purpose of calculating benefit entitlement. ([See also question #20](#))

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17. Can either partner in a couple claim social assistance for the family or household? If so, what rules apply to which person should claim and to whom would the benefit be paid?

Depending on the province, assistance may be paid to the person who applies, to his/her spouse (where the recipient is unable to manage the household budget), or to both spouses jointly.

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18. Under what conditions are two adults living in the same household counted as a cohabiting couple for benefit purposes?

See next question. Same-sex couples must generally apply as two separate households sharing accommodation.

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19. In what circumstances might a lone mother be treated as part of a cohabiting couple for benefit purposes?

Different provinces consider a number of factors in determining whether two adults living together should be considered as man and wife, including:

- parenthood (a child or children born to those two adults)
- financial interdependence (joint credit cards or bank accounts, etc.)

- family interdependence (couple presenting themselves in the community as man and wife)
- "official" shared residence (public records show the same permanent address for both adults).

Since 1987, Ontario has harmonized its *Family Law Act* provisions with social assistance policy. In that province, a spousal relationship (and hence, an economic interdependency) is **not** deemed to exist until the applicant or recipient has resided continuously with a person of the opposite sex for a period of three years (except where they become the parents of a child, in which case they are considered a couple from the date of the child's birth). During the cohabitation period, however, the other adult is deemed to be contributing an amount to the client's household for room and board, and the client's entitlement is reduced accordingly.

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20. Can other related adults living in the household claim benefit separately? (for example, an unemployed adult daughter or son living with unemployed parents)

Yes. Any adult applicant who is sharing accommodation with a person (or a family) who (which) is not included in that applicant's household for needs-testing purposes must apply in his or her own right, and benefit levels are reduced according to provincial formulae. Where two (or more) such households are applying for (or in receipt of) social assistance, the shelter allowance paid to each household sharing the accommodation is an appropriate proportion of the actual shelter cost, subject to shelter allowance ceilings⁽⁷⁾. An adult applicant who is boarding receives a lower (board and lodging) allowance than if the person is in a fair-market rental situation; where the applicant is providing board and lodging to a non-recipient, an amount is included in the applicant's non-exempt financial resources as board and lodging income, whether or not that income is actually received.

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21. What children can be included in a claim? Would any of the following be treated differently?

- natural children
- grandchildren
- stepchildren
- foster children
- adopted children

The applicant's household for needs-testing purposes includes any child who is ordinarily living with him or her and towards whom the applicant has a maintenance obligation. In most provinces, this could include any children in the above list (**except** foster children); any amounts received by the applicant for the child's maintenance (e.g., a contribution by a child's natural parent(s) received by a grandparent who is actually caring for the child or an adoption subsidy) are considered as non-exempted income for the household.

With respect to foster children under provincial child welfare programs, foster care allowances and additional coverage for special needs cover all needs of the foster child. There are also children in the social assistance system who are being cared for by someone other than a natural parent (usually a relative), because their natural parent is unable or unwilling to provide for their care. In such cases, eligibility for social assistance is established for the child in his or her own right, and payments are made to the guardian on the child's behalf.

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22. Up to what age are children defined as 'dependent' for benefit purposes?

A dependent child is one who has not reached the age of majority (18 or 19, depending on the province). In most provinces, a child who reaches the age of majority and who is either disabled or attending an approved educational program may stay on the family budget as a dependent child if it is in the best interests of the clients involved.

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23. Whose income or resources in a household or family are taken into account when assessing claims for social assistance? Can the incomes of other non-resident family members be taken into account when assessing benefit entitlement?

The needs test ² takes into account the income of all members of the household who are included for benefit calculation purposes.

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24. What forms of income and resources are taken into account when assessing people for social assistance, and which are disregarded? For example, how are sources of income such as the following treated?

- earnings
- children's income
- child support (i.e., maintenance paid by a parent no longer living with the family)
- other social security benefits
- training allowances
- investment income
- income from sub-tenants and lodgers
- the value of an owner-occupied house
- gifts
- payments from charities

The needs test ² consists of a two-part process of determination of the financial resources of each applicant household. The first part involves determination of liquid and fixed (property) assets to establish whether the household is asset-eligible; the second part of the needs test involves comparing the applicant's non-exempted income and the needs of his or

her household, in accordance with regulations established under the province's social assistance act or similar statute.

Income from all sources is examined in the calculation of entitlement to social assistance. Whether through program regulations or policy guidelines, each province stipulates how specific types of income are considered, in order to ensure that all applications are treated in the same manner. Some types of income, such as workers' compensation benefits or an Old Age Security pension and, in most provinces, child maintenance or alimony payments, are defined in legislation or policy as "unearned" and thus totally available for current maintenance. The net effect of unearned income is to reduce the amount of social assistance payable dollar for dollar. Other types of income, including the federal Child Tax Benefit⁽⁸⁾, Child Welfare payments to foster parents and some special donations from charitable organizations (for example, to replace furniture lost in a fire) are totally exempted in most provinces in the calculation of financial resources; the household's social assistance entitlement is thus unaffected and its financial well-being improved. Partial exemptions on earned income are allowed to encourage attachment to the work force; policies concerning these exemptions are covered in greater detail in [questions 25](#) and [27](#).

Partial exemptions are also allowed in some provinces on income from other sources such as room and board or property rentals. Part-time employment earnings of dependent children attending school and irregular income or casual earnings of other members of the household are totally or partially exempted, depending on the province.

In the determination of financial eligibility, a welfare authority may include imputed income in a household's financial resources, even though that household is not actually receiving money from any particular source. The most common examples of income imputation are situations where the applicant is living rent-free in return for janitorial services or as a result of shelter payments made by an absent or deserting spouse directly to a landlord, or where an applicant's excess property is deemed to be producing regular income ([see question #26](#)).

In most provinces, a person or family may receive social assistance while awaiting benefits from another program such as Unemployment Insurance (UI) or a lump sum payment of unearned income. Because the needs test² takes into account all current and anticipated income, including non-exempted benefits and payments covering retroactive periods, client households may be required to sign an agreement to reimburse some or all of their social assistance covering those periods once they receive the benefit or payment.

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25. In the means-test, are earnings counted gross or net of tax, national insurance, and private pension payments?

Nova Scotia's provincial social assistance program (the Family Benefits program) uses gross income as the amount against which earnings exemptions are calculated. All other provinces use a net income formula, allowing deductions for income tax (except under Manitoba's provincial Social Allowances program) and other compulsory

deductions, including contributions towards Unemployment Insurance and the Canada Pension Plan (or the Québec Pension Plan, for residents of that province), union dues and private pension plans. In addition, clients attempting to integrate or reintegrate into the labour force are generally granted deductions for the (approved) work-related expenses they incur.

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26. How are assets such as capital, cash savings or property treated for means-testing?

Each province establishes by regulation the definition of liquid and fixed assets, as well as the exemptions allowed against those assets. Where an applicant's non-exempted liquid assets exceed allowable levels, the excess amount must be expended before eligibility for social assistance can be established. Where the value of non-exempted fixed assets is higher than allowable levels, the applicant may be required to dispose of the excess property at fair market value within a certain period of time as a condition of eligibility; a time-limited "administrative" exemption of the property is usually granted in such cases. In some cases, income is imputed from the excess property (as if it were money in the bank, generating interest); such imputed income is totally non-exempt in the needs-testing process, i.e., the client's entitlement is reduced dollar for dollar.

Certain exemptions are allowed with respect to actual and potential liquid assets and property of an individual or family applying for social assistance; any non-exempted assets are deemed to be available for current maintenance of applicants and their dependants. In all provinces, asset exemption levels vary in accordance with case classification (employable, disabled, etc.) and the size of the applicant's household. The highest asset exemption level across all provinces apply to needy handicapped persons; these are \$3,000 for a single person and \$5,500 for a couple. Exemption levels are lower for other client categories, the lowest being the young, single, employable person in most provinces.

Homeowners applying for social assistance are not required to sell a principal residence (of reasonable value⁽⁹⁾), household effects and a reasonably-priced car as a condition of eligibility. Assistance may be withheld, reduced or terminated where applicants or recipients have dissipated, spent, or otherwise dealt with their liquid assets or other property in an unreasonable manner, including assignment or disposition of property for insufficient compensation (in order to qualify for assistance or a higher benefit level).

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27. At what rate is benefit withdrawn as income increases?

The net effect of unearned income (as defined in provincial regulation) is to reduce the amount of social assistance payable dollar for dollar. (see question #24)

Where the source of income is employment, a partial exemption on earnings may be granted on that income as an incentive for the individual or family head to gain or regain financial independence. The actual calculation of the earnings exemption varies among provinces. Some use a flat-rate monthly exemption (beyond which benefits are reduced dollar-for-dollar), while others allow for a flat-rate basic exemption plus a proportional exemption on any earnings exceeding the basic level, e.g., \$100 per month plus 25% of income exceeding \$100. Nova Scotia's Family Benefits program (for cases likely to be on assistance for a prolonged period) allows a flat 25% exemption on all earnings (starting with the first dollar), but the exemption is applied against gross work income (other provinces use a net income formula).

In some provinces, the earnings exemption provision applies only *after* initial eligibility has been established (i.e., an applicant's employment income may not be reduced using the earnings exemption in order to establish eligibility for social assistance).

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- 28. In the UK, certain groups such as women working from home as childminders receive special treatment in social assistance, so that only one third of their earnings are counted in the means-test. Are there any groups which receive similar special treatment in your social assistance schemes?**

Income from self-employment (including childminding) is treated differently from wages or salaries in all provinces. Clients who provide child care services in their homes may be allowed to offset expenses against gross income, and then apply the prevailing earnings exemptions to their net income (although some provinces allow larger deductions for operating expenses and no further exemptions).

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- 29. Can people who are self-employed or whose business is failing claim social assistance? If so, what conditions apply and how are their earnings assessed for benefits?**

Self-employed persons and farmers may qualify for assistance in most provinces, usually subject to a professional assessment of the viability of the business or farm operation and always in accordance with special rules concerning assets and income.

Financial eligibility is based on current accounting practices (with respect to asset valuation and netting-out of income). Some provinces have specific rules which apply to clients in these two groups (such as a maximum value on the client's equity in business- or farm-related assets); exemptions for work-related assets are allowed in most provinces.

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- 30. Can any deductions be made at source from social assistance payments? For example, for arrears of rent or fuel costs to be paid to another person or organisation, for repayment of social loans, or to take into account the presence of non-dependent young people or adults in the household.**

As a general rule, provincial social assistance does not cover debt repayment or arrears of rent or fuel costs. Social assistance payments cannot be garnisheed for any reason.

Once the budgetary requirements of the applicant's household have been established in accordance with provincial regulation (based on family size, basic and special needs, client category, etc.), the maximum entitlement is subject to the following deductions:

- chargeable or unearned income, including any real or imputed income exceeding exemption levels,
- reductions in cases of shared accommodation,
- reductions where an employable client refuses or abandons suitable employment,
- reimbursement by the client of amounts received as assistance under the terms of an agreement while awaiting income from another source,
- other deductions proper to specific provinces, and
- recovery of social assistance overpayments (percentage of entitlement or minimum monthly cash amount).

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- 31. Do people receiving social assistance pay contributions towards social insurance benefits, pensions or medical costs? If so, do they receive credits for these or are they expected to pay contributions from their benefit payments?**

Social insurance contributions, i.e., contributions to the Unemployment Insurance Fund and the Canada Pension Plan (or the Québec Pension Plan, for residents of that province), are compulsory for most Canadians in the labour force. Social assistance clients who are employed are subject to the same contribution rules as any other worker, but work income is "netted out" in most provinces (i.e., they receive a "credit") for social assistance purposes ([see question #25](#)).

Social assistance clients are entitled to the same insured health services, i.e., physician and hospital services, as the rest of the population under the health insurance program of their province⁽¹⁰⁾. Some non-insured health services (e.g., eyeglasses, dental services, prescription drugs) are covered under social assistance in most provinces, although there are often restrictions which apply, especially to new clients or employables. Social assistance benefits are not taxable, but they are considered in the determination of eligibility for some types of income-tested benefits (such as the federal Child Tax Benefit).

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- 32. Is social assistance available for an indefinite period, or are there**

time limits? If so, are there different time limits for different types of claimant, e.g., lone parents and unemployed adults?

There is no time limit to social assistance entitlement, provided that the applicant's household remains eligible in accordance with the financial, categorical and administrative requirements of the province where he or she is receiving benefits (see [question #3](#)). Some provinces require able-bodied unemployed adults to formally re-apply for assistance every month, as a means of monitoring more closely the efforts of those clients to integrate or reintegrate into the work force.

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33. Are your social assistance schemes governed by national regulations? If not, are they governed by regulations made at regional or municipal level, or are decisions made mainly at the discretion of officials?

The *Canada Assistance Plan ("CAP")* and the regulations established under its authority set a framework for federal contributions towards approved social assistance program costs (and those of other specified services and programs). The federal legislation does not govern provincial programs; rather, it sets certain cost-sharing conditions which provinces must respect to obtain a federal contribution towards their costs. In order to qualify under CAP, a social assistance program must meet the following criteria:

- eligibility must be based solely on the needs test ², as described in [question #3](#),
- no minimum period of residence in the province or in Canada may be imposed as a condition of eligibility, and
- the program legislation must include provision for an appeal mechanism for applicants and recipients who feel aggrieved by a decision pertaining to their case.

Agreements signed with each province in the area of social assistance and federal guidelines on assistance provide further conditions respecting the federal contribution terms (for example, how much a province may offer by way of asset and earnings exemption levels). Provinces which choose to exceed certain CAP guidelines are responsible for the costs they incur as a result.

Each province has a social assistance statute and one or more regulations established under its authority. The three two-tier provinces (see [question #2](#)) have separate legislation for their provincial and municipal programs - either two distinct statutes and their respective regulations, or (in Manitoba's case) a provincial statute with separate provincial and municipal regulations.

In Nova Scotia and Manitoba, each municipality (or county) establishes its program under a By-law in accordance with provincial regulation, while Ontario municipalities administer basic social assistance in accordance with the provincial *General Welfare Assistance Act* and Regulation.

Although provincial social assistance policy is rooted in statutes, regulations and policy manuals, there are many program areas where

administrative discretion plays a significant role in the real world. Depending on the province, this discretionary authority may be delegated to the caseworker, the area manager or the provincial social assistance director, and it could include:

- discretion to approve a grant of emergency assistance without complete verification of a client's circumstances;
- discretion to grant an administrative exemption of the value of certain assets exceeding exemption levels (pending their disposal at fair market value);
- discretion to waive recovery of overpayments or to reduce the rate of recovery where undue hardship would otherwise result;
- authority to decide whether employable clients are making reasonable efforts towards self-sufficiency (either by seeking and accepting suitable employment, or availing themselves of reasonable training opportunities);
- discretion to impose sanctions ranging from benefit reductions to suspension of benefits⁽¹¹⁾ where an employable client is clearly not making any attempt to achieve self-sufficiency;
- discretion to grant certain types of special assistance (e.g., household furnishing replacement allowances).

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34. Are rates of benefit fixed nationally, by state, regionally or at the level of local municipalities?

Social assistance benefit levels are set by the provincial authority for all client categories in all provinces except Nova Scotia, where each municipality sets rates of assistance for employables (subject to provincial standards). In Manitoba, the province regulates municipal assistance rates throughout the province since April 1993 under the Municipal Assistance Regulation; as at January 1994, the City of Winnipeg (which accounts for close to 90% of the municipal assistance cases in the province of Manitoba) pays a municipal supplement in addition to the provincially-regulated benefit.

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35. If there are fixed rates, how are they set? For example, are they determined in relation to a national minimum wage or the levels of other social insurance benefits? Is there an accepted minimum income or poverty line? Or are they determined by the cost of a defined 'basket of goods'?

Each province⁽¹²⁾ establishes its own rate structure by regulation (or policy guideline, for some types of assistance). Actual entitlement varies according to the circumstances of each case, including client category, family size and composition, shelter situation and cost (tenancy, home ownership, shared accommodation, room and board, etc.), unexempted income from various sources and other variables. Most provinces use a "pre-added budget" approach, which combines non-shelter needs under a single support allowance with shelter-related costs paid separately up to specified maxima, while a few have chosen to grant assistance based on individual rate scales for each of the basic need components. Depending on the province, maximum shelter allowance levels may be

established at the local/regional level (based on prevailing rates in that area) or for the entire province. Variables affecting the amount of shelter allowance payable may include the number of beneficiaries in any given household, the type of living arrangement (home ownership, tenancy, public housing, etc.), and the cost of heating fuel and utilities. In Quebec and New Brunswick, all basic needs including shelter are combined into a "global" benefit; where actual shelter costs fall short of minimum levels set by regulation in those two provinces, the difference is deducted from the household's social assistance entitlement.

The "basket of goods" approach and Statistics Canada's low-income cut-offs (considered by some social advocacy groups as Canada's unofficial poverty lines) are not as relevant in the process as are the Consumer Price Index changes and provincial program and fiscal policies.

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- 36. If there are fixed rates, are they uprated each year? If so, how? For example, indexing by prices, indexing by wages, or by special decisions of central or local government.**

Social assistance rate increases are based on cost-of-living increases or, in Québec (for unemployables), in relation to the Québec Pension Plan indexation formula. Provinces generally use the "ad hoc" approach to rate adjustments, whether by regulation stipulating that the Minister (or, in other provinces, the Lieutenant-Governor-in-Council or the director of social assistance) shall determine the periodicity and the amount of such increases, or by tradition (i.e., annual rate increases based on various economic indicators). Until recently, most provinces traditionally indexed their maximum social assistance rates once per year (at the beginning of the calendar year or the beginning of a quarter) as a rule; since the recession of the early eighties, however, all provinces have frozen or even decreased their maximum rates of assistance - especially for employable singles and childless couples - or delayed the implementation of a rate increase at least once.

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- 37. If payments can vary between different states, regions or municipalities, do they operate within a national framework, and are there upper and lower limits?**

[See question #34](#)

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- 38. If there are national fixed rates, what are the maximum amounts available and how are these amounts made up? Please give the rates (for each social assistance benefit) at both 1 May 1992 and 1 May 1993 assuming the claimant has no other income or resources. Please supply the amounts in the national currency per calendar month even if the benefit is paid over a different period (e.g., for benefits paid weekly the amount is weekly payment x 52/12).**

Not applicable

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39. If there are no fixed rates or the rates are fixed by state or locality, please give an example of this variation, by providing the rates of benefit paid at May 1992 and May 1993 for the areas specified in the accompanying letter [provinces of Ontario and Newfoundland].

Maximum benefit entitlement in all Canadian social assistance programs is provided for in provincial legislation. The calculation of the actual amount payable varies according to the circumstances of each case, including client category, family size and composition, shelter situation and cost (tenancy, home ownership, shared accommodation, room and board, etc.), unexempted income from various sources and other variables. The table below provides sample **maximum** basic monthly social assistance rates for the two provinces which were chosen for the purpose of this study.

Sample Maximum Monthly Basic Social Assistance Rates*				
Client Categories	Ontario		Newfoundland	
	May 1992	May 1993	May 1992	May 1993**
Single employable person	\$646	\$663	\$335	\$335
Single disabled person	911	930	542	542
Single parent, one child	1,188	1,221	913	913
Couple, two children	1,538	1,576	990	990

Notes:

* These rates are **in no way** representative of the relative well-being of social assistance households in Ontario compared to those of Newfoundland (because of significant differences in the cost of living in the two provinces and differences in program coverage). Nor are the above rates measurable against standards of adequacy, such as the Statistics Canada Low-Income Cutoffs, because they are not comprehensive. They do not include allowances provided under social assistance schemes for a wide range of **special needs** related to age, disability, employment, education and training; also excluded (for the purpose of determining the client household's **total** disposable income) are benefits available from other provincial and federal programs and which are exempt in calculating entitlements.

** Newfoundland social assistance rates have remained unchanged since April 1992 as a result of provincial budgetary restraints; several other provinces froze or even reduced basic and special assistance coverage during 1993.

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40. Are social assistance benefits intended to be sufficient to cover all a person's needs, including housing costs, or is there a separate income-related housing allowance or rebate scheme?

Social assistance needs-testing covers all shelter requirements of an eligible client household (see [question #35](#)).

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41. If there is a separate scheme for housing costs, please describe this briefly, including the means-test and how this differs from that for other social assistance benefits.

The Canada Mortgage and Housing Corporation⁽¹³⁾ (a federal agency) and its provincial counterparts provide a wide range of housing assistance programs to the general population, including non-profit housing, rent supplements (a rent-to-income scale and adjusted household income are used to calculate eligible tenants' rent), residential rehabilitation assistance, rural and Native housing assistance, emergency repair assistance, etc. Some of these initiatives are joint (and cost-shared), while others are unilateral, i.e., funded and administered entirely by one level of government.

Because social assistance schemes cover actual shelter costs up to maximum levels set by each provincial authority, clients of social assistance residing in social housing units do not actually receive supplementary shelter benefits beyond their normal social assistance entitlement. Clients residing in social housing are nonetheless generally better off than those in similar circumstances living in the open housing market, who often have to use part of their support (non-shelter) allowance to make up the difference between their social assistance shelter allowance and the actual cost of their accommodation.

The number of social housing units available for low-income households (including social assistance clients) varies by province.

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42. Do housing benefit payments cover:
- public or social rented housing
 - private rented housing
 - mortgage interest payments for people buying their own

homes?

Persons in need who are eligible for social assistance receive a shelter allowance as part of their entitlement under that program. The shelter allowance may be applied either to the cost of rent or mortgage payments; the amount granted is based on the **actual** cost of shelter up to a maximum stipulated in regulation or policy. In Québec and New Brunswick, the client household's benefit level is calculated on a global basis, i.e., the shelter allowance is a fixed amount which is established administratively in relation to prevailing shelter costs and combined with assistance for other basic needs.

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43. If people receiving social assistance can get help with paying mortgages, does this meet the full cost of repayments (i.e., capital and interest payments) and can it be paid indefinitely?

Social assistance shelter allowances cover rent or mortgage payments at actual cost up to maximum levels stipulated by regulation or policy (see [question #42](#) for exceptions). Some provinces have specific rules that apply in those situations where a client is paying off a mortgage, such as requiring the person to reimburse the government for any increase in his or her equity in the home while on assistance.

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44. Is there a separate income-related benefit for families in work? If so, please describe this briefly, giving the amounts payable in 1992 and 1993, how these vary with age and number of children, the rules governing the type and hours of work and how the means-test is applied. If the scheme is based on tax credits rather than cash payments please explain how it works.

Three Canadian provinces have separate income-tested programs which are designed to help low-wage earners stay in the labour force.

Québec's **Parental Wage Assistance (PWA)** program provides incentives for workers with modest incomes and with dependent children to remain in the work force and for recipients of Unemployment Insurance or social assistance with dependent children to join or rejoin the work force. PWA offers a non-taxable asset-tested supplement to employment income, reimbursement of a portion of eligible child care expenses, where applicable, and a special benefit toward high shelter costs. The maximum annual assistance available under these three components of PWA in 1993 ranged from almost \$5,800 for a single parent with one child to over \$7,000 for a household comprising two adults and two children (assuming child care costs of \$2,500). For 1992, the corresponding range was from \$5,299 to \$6,626.

Manitoba's **Child Related Income Support Program (CRISP)** is an asset-tested and income-tested program which provides non-taxable cash assistance to low-income families with dependent children under 18 years of age and eligible for the federal Child Tax Benefit. The maximum benefit of \$30 per month per child (unchanged in 1992 and

1993) is available to a family whose net income is \$12,384 per year or less (the netting-out formula is different for CRISP benefits than for regular social assistance in the province). In determining financial eligibility, the calculation is based on total family income for the tax year immediately prior to the benefit year for which an application is made. CRISP benefits are considered as part of social assistance entitlement for eligible families (i.e., CRISP is not payable as a supplement to social assistance).

Saskatchewan's **Family Income Plan** provides asset-tested financial benefits to low-income earners with dependent children under 18 years of age. Since July 1993, maximum benefits payable are \$105 per month for each of the first 3 children and \$95 per month for the fourth and each subsequent child. Maximum benefits payable in 1992 were \$100 per month for each of the first 3 children and \$90 per month for the fourth and each subsequent child. FIP benefits are not taxable, and they are considered as part social assistance entitlement for eligible families. Maximum benefits are payable to families where income is at or below \$8,700 per year (income is specifically defined in the regulations pertaining to the Family Income Plan).

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45. Are people receiving social assistance entitled to other services or goods? Examples might include:
- special help with medical costs
 - education grants, including free school meals and help with uniforms
 - means-tested relief from local taxes
 - free or reduced price access to public transport or leisure facilities.

If such forms of help are available in your country, please give examples of the most important types and explain briefly how people may be entitled to them.

In addition to financial assistance for basic needs, social assistance programs cover a wide range of special needs and social services. Depending on the province, items of special need may include allowances and services related to age, disability, employment, education, training and other special circumstances. Social services (such as day care, visiting homemaker services, and counselling) are offered without charge to needs-tested clients of social assistance where such services are required, subject to availability. In the case of low-income households not receiving social assistance, a sliding fee scale is used to determine the client's cost of such services using an income test.

All provinces also include provisions in their social assistance legislation respecting health and institutional needs. Examples of relevant types of assistance may include comfort and clothing allowances for persons in need in designated special care facilities, payment of health insurance premiums (in premium-paying provinces⁽¹⁴⁾) and ancillary health-related benefits such as prescription drugs, dental care, vision care and prostheses. It should be noted, however, that not all provinces offer the same level of health-related coverage, and that this type of assistance is sometimes not even available to

certain categories of social assistance clients in some provinces.

Local property taxes are included in the shelter allowance of a client household which owns or is purchasing its residence.

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- 46. If there is more than one social assistance benefit or if there are other means-tested benefits linked to social assistance, how do they interact with each other? For example, in the UK the value of any family credit received counts as income when assessing entitlement to housing benefit.**

In all provinces, social assistance is the program of last resort which takes into account assets and income from all sources in the determination of need. Depending on the province, benefits received under other programs may or may not be exempted for social assistance entitlement purposes.

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- 47. Is there a scheme for meeting special or emergency needs, or one-off lump-sum requirements?**

The needs test ² used in establishing social assistance eligibility takes into account basic and special needs, including any valid emergency needs of an applicant's household. Depending on the province, emergency assistance and certain types of crisis grants may be recoverable from the client.

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- 48. How do people claim social assistance benefits? For example, can they apply by post or do they have to make personal applications at the relevant office?**

All provinces require applicants to apply for assistance using the prescribed forms (except in emergency assistance situations), and to submit their application in person at the nearest office of the administering authority. A case interview must take place as a condition of eligibility, either in the client's home or in the worker's office.

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- 49. How often do people have to renew claims and how often are payments made?**

Provinces pay regular assistance monthly or semi-monthly and special grants to cover emergency situations as required in each case. Some provinces require a periodic formal re-application (for example, every month for young single employables and every quarter or once per year for longer-term cases); others require some or all of their clients to return the stub of their cheque every month as part of an ongoing verification process (sort of a monthly claim renewal).

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- 50. What sort of changes in people's circumstances do they have to report?**

- changes in financial circumstances, such as receipt of income from work or another source or the acquisition or disposal of an asset;
- changes in the household composition (family size); or
- any other change which might affect the client's eligibility or the amount of assistance to which he or she is entitled.

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- 51. How are payments made? For example, by credit transfer into bank accounts, by postal cheques, by an order book cashed at a local bank or post office, by cash at the social security office. Do people have a choice of methods, and if so which is the most popular?**

Depending on the province (and often the circumstances of each case), benefits may be granted either monthly or semi-monthly in one or more of the following ways:

- cheque
- cash
- direct arrangement for goods and services
- voucher or authorization
- direct deposit in the client's bank account.

Clients are usually given a choice of payment methods. There is a growing movement towards the direct deposit method (at least for long-term cases), since the automatic transfer of funds is simpler for the administrative authority and more convenient for the client. The least-favoured method⁽¹⁵⁾ is indirect payment (by voucher or third-party arrangement), which tends to be used mainly in short-term need situations or where the client is unwilling or unable to manage his or her financial affairs.

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52. Is there a home visiting service to check people's circumstances or to help people who have difficulty travelling to social security offices?

Some provinces require an initial visit by a worker to the home of the applicant as a condition of eligibility in certain cases. In recent years, the combined effect of decreases in the number of social assistance caseworkers and increases in caseloads across the country has made it difficult for clients to see their worker on any kind of regular basis in many Canadian provinces.

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53. If people are mistakenly paid more social assistance than they are entitled to, what arrangements exist for recovering these 'overpayments'?

Every province has established procedures to recover any social assistance granted to a person who was not entitled to such assistance because of an unreported change in household income or other circumstances, accidental or willful misrepresentation or fraud. Overpayments are recovered from client households by means of benefit reductions according to a variety of provincial formulae based on percentage of total entitlement or a monthly minimum reduction rate. Most provinces will consider reducing or deferring recovery where undue hardship would result.

In addition, certain forms of assistance granted by a province or a municipality may be conditional upon a formal agreement signed by the recipient to reimburse the government for such assistance (e.g., temporary assistance granted while an otherwise eligible household is awaiting a lump sum of money). Where it is reasonable to do so, most provinces will secure and pursue recovery of overpayments incurred by a client who subsequently leaves social assistance as a debt owed to the

Crown.

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- 54. Who apart from the immediate household of a person claiming social assistance might be liable for recovery of payments? For example, can payments be recovered from a divorced man or woman, where his ex-partner claims social assistance? If so does this only apply to payments for children? Does it apply where the couple were never married? Also, can payments be recovered from the estate of a claimant who has died?**

All provinces actively pursue ex-partners in situations where there is at least one child in the household of the single parent applying for social assistance. Single parents must agree, as a condition of eligibility, to initiate or enforce child maintenance proceedings against the absent parent for child support payments, or to subrogate the right to do so to the Crown. There are a number of situations where the pursuit of child support would be waived, such as family violence cases and defaulting absent parents who are themselves recipients of social assistance. Where a couple never married but are the natural parents of one child or more, the absent parent can be pursued for child support in the same manner as for a married couple separating or divorcing. Many provinces have increased enforcement of child support orders and agreements by enacting or strengthening legislation which allows for the garnisheeing of salaries and other forms of income owing to non-custodial parents to recover arrears in support payments.

Pursuit of a former partner by a childless applicant for alimony or support is rare.

Where a client dies, any overpayments owing to the Crown may be recovered from the person's estate.

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- 55. What arrangements exist for controlling and detecting fraud in social assistance?**

The prevention and detection of fraud has become more of a preoccupation in provincial social assistance programs in recent years, given the limited program budgets and the caseload increases of the 1980s and the early nineties. Many provinces have hired special staff to investigate suspected fraud cases; these are initiated in the normal case review process (monthly or annual meeting between the worker and the household head to review the circumstances of the case) or, in some cases, because of a complaint or statement ("tip") from a concerned citizen. Others have broadened the scope and number of initial eligibility verification procedures for each applicant, checking out every detail of an applicant's circumstances (financial, family and work) much more meticulously than ever before to corroborate his or her statements.

Some of the other measures which some provinces use to control and detect fraud include:

- each application is checked by two separate workers to ensure that no stone has been left unturned in establishing eligibility (double verification),
- certain categories of clients (usually only employables) may be required to pick up their cheques in person as a condition of eligibility,
- social assistance benefits are deposited directly into a client's bank account, to reduce fraudulent reporting of lost cheques and to facilitate cheque-cashing for clients,
- information-sharing between jurisdictions and departments providing benefits under different programs has become more extensive.

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56. Do people have to have to show an identity card or number in order to claim social assistance?

Many provinces have studied the question of I.D. cards, photo I.D. cards and even fingerprinting as means of decreasing the incidence of fraudulent applications for social assistance. However, none has thus far implemented such a system, largely due to potential legal recriminations on the basis of infringement of applicants' human rights. Applicants are required, as a condition of initial eligibility, to produce any piece of information which might be required to substantiate their declarations concerning assets, income and family circumstances, including birth certificates and social insurance numbers; they must also sign a form authorizing an officer of the Department to verify any information pertaining to their situation, including bank accounts and other investments.

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57. Is there a system for people to challenge or appeal against administrative decisions on social assistance? If so, please describe how this works.

In all provinces, applicants or recipients are allowed to request an appeal where they are dissatisfied with a decision affecting their entitlement to social assistance. Some provinces have established limits on issues that may be formally appealed, while others allow individuals to question any determination bearing on their case. Appeal systems may consist of a provincial appeals board made up of several members appointed by the minister responsible for social assistance, a local review committee of a few community members, or both. In some provinces, even the decision of the appeal body is not final, depending on the nature of the appeal; the appellant may ask the provincial Ombudsman (where one exists) to intercede on his or her behalf, or challenge the decision in provincial court.

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58. Is the work of departments or organisations administering social assistance subject to scrutiny or review by other government or independent bodies, for example an Ombudsman? If so, please

briefly describe the arrangements.

All federal government departments are subject to scrutiny or review by the federal Auditor-General's Office (a government agency mandated to report on the efficiency and financial effectiveness of Government operations).

A similar monitoring function exists at the provincial level with respect to general government operations; depending on the province, this role belongs to the Auditor-General or the Provincial Auditor.

In addition, the Ombudsman's Office (in those provinces where it exists) may play an advocacy role in cases of alleged discrimination.

Since 1969, federal government social policies are closely monitored by the National Council of Welfare, an advisory body of some 20 Canadians⁽¹⁶⁾ drawn from across Canada and appointed by the Governor-in-Council. The mandate of the Council is "to advise the Minister [of Human Resources Development] in respect of such matters relating to welfare as the Minister may refer to the Council for its consideration or the Council considers appropriate". Since the mid-eighties, the Council has produced a half-dozen reports on social assistance in Canada, which are submitted to the Minister and also released to the general public and the media.

Scrutiny and review of social assistance programs is also within the purview of a number of other groups outside the public sector, including:

- the National Anti-Poverty Organization;
- university faculties, such as schools of social work or public administration (some of which produce journals and reviews in the area of public policy and social policy); and
- a number of for-profit and non-profit organizations from the left and the right, including the Fraser Institute, the C.D. Howe Institute, the Canadian Council on Social Development, the Caledon Institute of Social Policy, the G. Allan Roeher Institute and a host of others.

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59. What role do non-governmental bodies such as charities, churches, trade unions or voluntary organisations play in providing or administering social assistance? Do any of these bodies receive specific state funding for these purposes?

Voluntary organizations such as food banks and soup kitchens have grown rapidly in all Canadian provinces, especially since the economic recession of the early eighties. They provide assistance which is complementary to the programs of last resort for persons in need. Few of these organizations receive any formal and sustained government funding, relying rather on public appeals and private arrangements with the food industry (wholesalers, supermarkets, restaurants, etc.) for ongoing support.

As a rule, churches do not play a direct role in the provision or

administration of social assistance; they provide some financial assistance on an individual basis in emergency situations, but their involvement in the field of social policy is more in the area of advocacy than program delivery.

Trade unions and big business (Canadian Labour Congress, Chamber of Commerce, Canadian Business Federation, etc.) have become much more actively involved in the social policy field over the years, because of the growing acceptance of the notion that social and economic policy are inextricably bound together.

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60. Are data collected on national expenditure on social assistance? If so, please supply figures for the last full year in cash terms and as a proportion of all expenditure on social security. If possible please also supply figures showing changes in expenditure since 1980.

Estimated Social Assistance And Social Security Expenditures

Year	Social Sec. Expenditures ¹ (\$000,000)	Social Asst. Expenditures ² (\$000,000)	SA as % of Total Soc. Sec.	Education ³ (\$000,000)
1990-91	121,600 ^e	8,883	7.3 ^e	43,000 ^e
1989-90	110,700 ^e	7,146	6.5 ^e	40,000 ^e
1988-89	102,900 ^e	6,826	6.6 ^e	36,000 ^e
1987-88	95,438	6,394	6.7	33,000 ^e
1986-87	89,368	6,124	6.9	31,000 ^e
1985-86	81,723	5,880	7.2	28,000 ^e
1984-85	75,956	5,522	7.3	27,000 ^e
1983-84	70,802	4,927	7.0	26,000 ^e
1982-83	65,033	4,155	6.4	23,181
1981-82	52,116	3,272	6.3	20,832
1980-81	44,988	2,839	6.3	18,068

e - estimate

1. Source is *Social Security Statistics*. Social security includes income security, social services and health services.

2. Source is *Social Security Statistics*. Figures represent an estimate of federal and provincial expenditures, exclusive of administrative costs.

3. OECD education costs. These are included in case you wish to include education in your definition of "social security".

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61. Are separate figures available for expenditure on special assistance schemes paying one-off/lump-sum grants and loans? If so, please supply these.

Not available nationally.

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62. Are there separate figures available for the administrative costs of providing social assistance? If so, please supply the total for the last full year.

These figures are not readily available in a consistent format for all provinces.

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63. How is social assistance funded? For example, is it funded from general taxation, from a specific hypothecated social security tax, from employees/employers social insurance contributions, from local taxation, or by some other means?

Social assistance is funded in part from the federal Consolidated Revenue Fund (general government revenues), in part from provincial government revenues, and, in those provinces which have retained a two-tier social assistance structure (see question #2), from local property taxes. It should be noted, however, that in single-tier provinces, municipalities still pay a portion of social assistance costs through the traditional municipal levy system (i.e., municipalities paying their proportional share of the cost of services delivered by the province for the entire population).

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64. If non-governmental organisations play an important role in providing social assistance, do they receive funding from central or local government for this purpose? Please supply any figures available on social assistance funding to these organisations.

[See question #59.](#)

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65. Please supply as many of the following statistics as are available:

- a. The latest available data on numbers of recipients of all social assistance benefits, by main client groups (lone parents, unemployed, young people under 25, people over retirement age, sick and disabled people)
- b. The number of children in families receiving social assistance
- c. The proportion of the general population receiving social assistance (by client group)
- d. The proportion of people receiving social assistance who also receive a social insurance benefit
- e. Numbers of recipients since 1980 (time series)
- f. Number of claims for social assistance in last full year and percentage success rate
- g. Estimated percentage take-up of social assistance benefits by those eligible (by main client groups)

Available information is summarized below. The following should be borne in mind:

- Provinces/territories administer their own social assistance programs, and no standard definitions or reporting mechanisms exist which permit the aggregation of reliable national data.
- Detailed data are generally collected on the **head of the case**; there is little data available on characteristics of all social assistance recipients. The term "**case**" is equivalent to a household, and may comprise a single person or a family. The term "**recipient**" refers to all persons in the case, and includes the head plus all other dependants (spouse and/or children where applicable).
- Detailed breakdowns of the caseload by target groups cannot be provided since categories are not mutually exclusive.

a- The following national caseload estimates are available:

- family structure estimates (see item b for table on cases and recipients for both March 1993 [most recent] and March 1992).
- **unemployed employables** made up an estimated 45% of the total caseload in March 1992. It should be noted that the definition of "employable" varies between provinces; for example, the employability status of a single parent is

based on the age of the youngest child in the household (among other factors), and this age varies among provinces.

- cases headed by a person considered as **long-term disabled** made up an estimated 20% of all cases in March 1992. Again, the definition of "disabled" varies among provinces.

- the estimated percentage distribution of cases by **age group** of the head, for March 1992 is as follows:

under 25	21%
25-29	17%
30-39	28%
40-49	16%
50-54	6%
55-64	11%
65+	1%

b- The number of children in families receiving social assistance

The following tables provide the estimated national breakdown of social assistance cases and recipients by family structure, for the months of March 1992 and 1993.

March 1993 Social Assistance Data				
	Cases		Recipients	
	Number	Percentage	Number	Percentage
Singles	924,500	57.2	924,500	31.1
Couples, no children	80,500	5.0	161,000	5.4
Couples with children	169,700	10.5	339,400	11.4
Single Parents	441,500	27.3	441,500	14.8
Children	not appl.	not appl.	1,108,600	37.3
Total	1,616,200	100.0	2,975,000	100.0

March 1992 Social Assistance Data				
	Cases		Recipients	
	Number	Percentage	Number	Percentage
Singles	840,900	57.1	840,900	30.9
Couples, no children	72,900	5.0	145,800	5.4
Couples with children	149,000	10.1	298,000	10.9
Single Parents	408,200	27.7	408,200	15.0

Children	not appl.	not appl.	1,030,100	37.8
Total	1,471,900	100.0	2,723,000	100.0

c- The proportion of the general population receiving social assistance (by client group)

Information is not produced by client group. The latest available data are for March 1993.

Total social assistance recipients, March 1993:	2,975,000
Estimated population, April 1, 1993:	28,665,900
SA recipients as % of population:	10.4%

d- The proportion of people receiving social assistance who also receive a social insurance benefit

For the month of March 1992, an estimated 3.3% of social assistance cases reported Unemployment Insurance benefits as income.

e- Numbers of recipients since 1980 (time series)

Data for both cases and recipients are summarized below.

as at March	Estimated # of Cases	Estimated # of Recipients
1981	734,300	1,418,400
1982	788,100	1,502,800
1983	985,000	1,832,900
1984	1,028,500	1,894,900
1985	1,058,000	1,923,300
1986	1,048,900	1,892,900
1987	1,051,700	1,904,900
1988	1,018,400	1,853,000
1989	1,022,100	1,856,100
1990	1,056,000	1,930,100
1991	1,239,000	2,282,200
1992	1,471,900	2,723,000
1993	1,616,200	2,975,000

f- Number of claims for social assistance in last full year and percentage success rate

Not available.

g- Estimated percentage take-up of social assistance benefits by those eligible (by main client groups)

Not available.

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66. Please specify the legislation which currently provides for and regulates social assistance.

The *Canada Assistance Plan* and Regulations are the federal legislative authority for contributions by the Government of Canada towards costs incurred by the provinces and municipalities in the provision of social assistance and welfare services to needy persons. Each province has at least one statute and one regulation⁽¹⁷⁾ which provides for and regulates social assistance, and some municipalities in two-tier provinces have by-laws for the administration of their program in accordance with provincial legislation.

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67. Does the legislation covering social assistance specify particular objectives for the benefit/s? If so, what are they?

The Preamble of the *Canada Assistance Plan* contains a statement by the federal authority that the provision of adequate assistance to persons in need and the prevention and removal of the causes of poverty and dependence on public assistance are the concerns of all Canadians; "the Parliament of Canada... is desirous of encouraging the further development and extension of assistance and welfare services programs throughout Canada by sharing more fully with the provinces in the cost thereof".

Provincial social assistance statutes do not contain any preamble. Most include a reference (in the first or second section of the relevant statute) to the granting of assistance to "persons in need", a notion which is defined in provincial regulation and which contains inherent objectives (because each province tailors its needs test² in accordance with its own political, economic and fiscal objectives). Québec's *Act Respecting Income Security* is the only provincial social assistance statute⁽¹⁸⁾ which actually identifies four specific income security objectives:

- "to grant last resort financial assistance to persons whose financial resources are insufficient to provide for their needs and the needs of their families;
- to grant such assistance taking into account the fact that the situations of persons presenting severe limitations in their capacity for employment differs from that of persons who are fit for work;
- to promote entry or re-entry in the labour market of persons who

- are fit for work and, concurrently, provide for persons already in the labour market or in a program of studies an incentive to remain in the labour market or in a program of studies; [and]
- to provide additional financial support to low-income families with dependent children if at least one adult member is in the labour market."

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68. Does your Government have any specific, stated policy objectives concerning social assistance at present? If so, please describe these briefly.

On January 31, 1994, the federal Minister of Human Resources Development (the Honourable Lloyd Axworthy) officially announced in the House of Commons that, as part of his Government's commitment to putting people back to work, a multi-faceted review and reform process of the country's social policies (including social assistance and Unemployment Insurance) would take place immediately.

Virtually all of the objectives of this review are relevant in the context of this study. They are as follows:

- "to meet basic labour market insurance and adjustment needs;
- to restructure the Unemployment Insurance Program and the Canada Assistance Plan to create a new form of employment insurance;
- to help people make the crucial school-to-work transition by providing a range of options in training, apprenticeship community service and work;
- to broaden educational and training assistance to support life-long learning;
- to enhance support and care provisions for children;
- to redefine the distribution of work and rules of the workplace;
- to ensure that individuals with disabilities can achieve equality, independence and full participation;
- to seek a better balance between incentives for job creation and payroll tax levels;
- to ensure basic security for those in need;
- to redefine responsibilities between governments and strengthen cooperative arrangements to achieve savings through greater efficiency; and
- to design new "smarter" ways to deliver services and avoid duplication."

The federal government's Standing Committee on Human Resources Development will be examining the views of Canadians about social security and the job market and reviewing social policy options through the spring and summer of 1994, and the Minister announced that "Parliamentary consideration of actual legislation will take place in the fall or early next year".

Running parallel to this process, there will be extensive discussions with provinces and consultations with key sectors of society, including business, labour, social and community groups, aboriginal organizations and others.

The federal government has pledged that the reform of social programs will be completed in two years.

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69. What role is social assistance playing in your overall social security system?

Provincial and municipal social assistance programs, often called Canada's social security safety net of last resort, provide income to meet the cost of basic requirements of a single person or a family when all other financial resources have been exhausted.

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70. Have any significant changes recently taken place in your social assistance schemes, and are there any other current plans or proposals for substantial change in the future? If yes, what has changed and what is proposed?

Recent changes

- Since the mid-eighties, many provinces have enhanced their earnings exemption policies and transitional benefit packages (i.e., assistance to clients making the transition to work) as a result of the Federal-Provincial Agreements on Enhancement of Employment Opportunities for Social Assistance Recipients (see [question #3](#)).
- As part of the (federal) *Government Expenditures Restraint Act* of 1990, federal contributions to Ontario, Alberta and British Columbia⁽¹⁹⁾ under the *Canada Assistance Plan* were limited for 1990-91 to 1991-92 to an annual growth rate of 5% (over the 1989-90 base year); the next federal budget extended the 5% "cap on CAP" for a further three years, to the end of 1994-95. The affected provinces were thus required to find ways to contain expenditures, either by reducing caseloads or reducing social assistance coverage.
- Most provinces have gradually or radically reformed their social assistance programs over the last decade or so⁽²⁰⁾. Over that period, and especially since the beginning of the nineties, some moderate provincial reforms have been undertaken (e.g., making asset exemptions and income exemptions more or less generous for different client categories, freezing or even reducing rates of assistance, enforcing job search requirements more rigidly for employables). Others have chosen to overhaul their system (e.g., Québec implemented its new Income Security program¹⁸ between 1989 and 1990).
- The common thread which runs through all reform efforts, whether federal, provincial or municipal (in the two-tier systems where municipalities set their own social assistance policies) is the linkage of training requirements (and opportunities) with social assistance.
- Many provinces have split their social assistance system into two separate programs over the past few years (although some

have had this distinction since their inception in the sixties and early seventies). One such program type is designed for permanently unemployable clients requiring long-term income support and their dependants; these programs are known variously as Income Assurance, Assured Income, Financial Support, etc. The other program type is designed for those who can - some with extra assistance with remedial education or training - integrate or reintegrate into the labour force and achieve self-sufficiency. Generally speaking, the rules for financial, categorical and administrative eligibility (see [question #3](#)) are not as stringent for the unemployable clientele as for employables, and benefit levels tend to be more generous for this group as well.

Recent Proposals

- See [question #68](#) concerning the announcement by the federal Minister of Human Resources Development of a full-scale review of Canadian social programs.
- Late in 1993, the Government of Newfoundland proposed a new Income Supplementation Program (ISP) for that province which would "supplement incomes for low-income individuals through a Basic Income Supplement that would be independent of earnings and a Work Supplement that would increase as earnings increased up to a maximum level. The ISP would be phased down as family incomes increased so that individuals in high-income families would not receive income supplementation". The same proposal calls for the creation of a new Educational Supplement (ES), which would "provide the means whereby all citizens who wanted to could pursue higher education or training". Financing for the ISP and the ES would come from savings generated through reforms to the Unemployment Insurance program and to social assistance and job creation in the province. Federal officials are currently studying the complete package of proposed measures.
- The Government of Ontario has undertaken the task of fundamentally restructuring social assistance by 1995. The reform philosophy is twofold; the province plans to "promote independence by encouraging job preparation" and to "provide fair treatment to all low-income families, including those with parents working full-time". The new approach will comprise three programs:
 1. the Ontario Child Income Program (income-tested monthly cheque to all Ontario low-income households with children);
 2. the Ontario Adult Benefit (needs-tested assistance for food, clothing, shelter and personal needs for adults in transition to work and for those who cannot work because of disabilities); and
 3. the JOB LINK program (providing an Employment and Training Allowance [instead of the Adult Benefit] to eligible clients to cover both basic needs and costs related to job preparation and job search activities).
- Other provinces have attempted or are attempting new approaches to welfare reform, including "expanding the continuum of training and education programs and services" (e.g., New Brunswick Works), supplementing earnings from work for certain categories of clients up to target income

levels ("Self-Sufficiency" projects in British Columbia and New Brunswick), or co-locating and harmonizing social assistance and training services.

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71. Does your government have an official view on the European Commission proposals for minimum income guarantees within the Union? If so, what is it? (EU countries only)

Not applicable

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March 21, 1994

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Note: In the following pages, you will find the actual text of the completed questionnaire which was submitted by the Social Policy Branch in March 1994 to the University of York in England. It is included here for its possible value to social researchers who might be interested in this area.

This report does not cover changes in Canadian social assistance programs since March 1994, such as the introduction of the Canada Health and Social Transfer.

University of York, Social Policy Research Unit International Comparative Study of Social Assistance Schemes Questionnaire for National Government Officials January 1994

Introduction

The questionnaire is in six parts, divided as follows:

1. [The Structure of Social Assistance](#)
2. [Other Assistance-linked Benefits](#)
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Definition of social assistance

The term 'social assistance' does not have a fixed or universal meaning. For the purposes of this study we are concentrating on those income-related or means-tested benefits, available to people whose resources are officially held to be insufficient to maintain a minimum standard of living without such additional help. There may be other forms of benefit, relief or concessions and services available on a means-tested basis and linked with social assistance, and we ask about these in Section Two. This covers, for example, help for people in work but with low incomes, such as the British family credit benefit or the USA's earned income credit. Section Two also deals with means-tested help with housing costs. The main focus in this section is on the core schemes for guaranteeing sufficient or minimum resources.

1. What social assistance schemes exist in your country? Please list these and describe them briefly.

Each of Canada's ten provinces and two territories⁽¹⁾ designs, administers and delivers its own social assistance program to persons with insufficient income. Entitlement is based on a needs test⁽²⁾, which takes into account the assets and income of the applicant's household and its basic needs (food, clothing, shelter and utilities, household necessities and personal needs), as defined in provincial legislation. Provinces also establish various administrative and categorical eligibility requirements for those applying for benefits.

The federal Department of Indian Affairs and Northern Development is responsible for social assistance to registered Indians living on reserves. Programs are delivered either by the provincial government or a Native agency (depending on the province) in accordance with the prevailing social assistance rules and regulations of that province; the Department of Indian and Northern Affairs covers the entire cost of such assistance.

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2. Which tiers of government are responsible for administering these schemes?

The federal government does not administer (deliver) assistance programs directly; it does, however, contribute under the Canada Assistance Plan towards the cost of approved expenditures incurred by the provinces and municipalities in the provision of such assistance.

Most provinces administer a single, unified social assistance program; long-term benefits are distributed from the provincial Department of Social Services (or its equivalent), while short-term benefits and emergency assistance are issued from local or regional offices of that Department. In Manitoba, Ontario, and Nova Scotia, the provincial authority grants assistance where the client falls within a category which has been characterized as contributing to long-term need, while each municipality is responsible for providing support to its residents who are in short-term need situations, such as unemployed employable persons. These three provinces are said to have a "two-tier" social assistance system.

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3. What are the main general conditions of entitlement to social assistance?

Financial Eligibility: In general terms, the only eligibility requirement for social assistance is need, regardless of cause. The **needs test**² involves a comparison of each household's financial resources with its needs. First, the total value of the household's non-exempted **assets** is established and compared with maximum allowable levels set by provincial regulation; these allowable levels vary across provinces and, within any given province, for different client categories. If assets do not exceed allowable levels, then the client household's **income** from non-exempted sources is compared with needs. Social assistance may be granted where a budget deficit exists, i.e., where the cost of needs exceeds the non-exempted financial resources of the household of the applicant or recipient. In some provinces, the cost of regularly-recurring special needs⁽³⁾ may be added to basic needs for needs-testing purposes. Assistance is also available in some provinces where the needs test² reveals a budget surplus (i.e., non-exempted income exceeding needs) which is insufficient to cover the costs related to special requirements or unexpected situations; for example, an applicant may be eligible for social assistance in an amount sufficient to cover **only** the cost of a particular non-insured health service or a social service (e.g., visiting homemaker), provided the person is otherwise eligible.

Administrative Eligibility: In all provinces, social assistance legislation provides for certain basic administrative requirements in the establishment of an applicant's initial eligibility. Depending on the province and the circumstances of each case, an applicant may be required to:

- submit a duly completed application (usually on a prescribed form);
- provide evidence as required in support of the application for assistance, such as proof of age, a medical certificate to confirm disability, a separation agreement, bank books, pay cheque stubs, etc.;
- meet with a worker to discuss the financial and social situation of the household (this requirement may be waived in some cases, such as emergency and short-term assistance);
- provide written permission to the administering authority to verify any statement made in the application and any supporting documents concerning financial resources or any other

- circumstance of the household; and
- agree to report any change in circumstances that might affect eligibility or the amount of assistance to which the household is entitled, such as the death or departure of a family member or additional income from work or other sources.

Categorical Eligibility: Applicants are categorized according to the reason they are requesting assistance, aside from financial need. Client categories vary to a certain extent from province to province, the main ones being the aged, the disabled, single-parent families and unemployed employables. Specific conditions of initial and continuing eligibility exist in all provinces for certain categories. For example:

- a single parent is required to pursue an absent parent respecting his or her right to child maintenance payments or to subrogate that right to the government;
- an employable person must agree in writing to accept suitable employment or to engage in training or other measures to reach a state of job-readiness.

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4. What is the youngest age at which individuals can claim social assistance independently?

Under normal circumstances, a person may apply for social assistance in his or her own right at the age of majority (18 or 19 years of age, depending on the province). In difficult circumstances (usually related to family breakdown for one reason or another), a young person approaching the age of majority who leaves the parental home may be eligible for assistance as a single person.

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5. What conditions of residence or nationality are attached to receipt of social assistance? In particular, in what circumstances are non-nationals entitled to claim benefits?

Residence in a particular province for a minimum period is not a condition of eligibility for social assistance, except in Nova Scotia, Ontario and Manitoba, where municipalities are responsible for the delivery and a portion of the cost of short-term assistance. In these provinces, an applicant's period of residence is a determining factor only with respect to which municipality or level of government is responsible for the cost of any assistance granted to that person and any dependants.

Sponsored immigrants and nominated relatives (under the federal *Immigration Act*) are generally not eligible for social assistance unless there is a breakdown in income support from the sponsor or nominating relative; refugee claimants are eligible for assistance as soon as they submit a claim for refugee status or when their claim is decided upon, depending on the province. In the latter case, emergency assistance (minimal income assistance to prevent undue hardship) may be granted pending a decision on the claimant's request for refugee status. Emergency assistance may also be granted in most provinces (in

extenuating circumstances) to other non-nationals who are ineligible for regular assistance based on the merits of each case.

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- 6. Under what conditions would people from other European Union countries be eligible to claim social assistance? (EU countries only)**

Not applicable

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- 7. Under what conditions are refugees and asylum seekers entitled to claim social assistance?**

See question #5.

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- 8. Is entitlement to any social assistance payments 'portable' to other countries?**

Normally, clients can receive social assistance benefits only at their usual place of residence. "Portability" of benefits to another province or country occurs only where the client has a valid reason for being absent, such as an approved special medical treatment or educational program. Of course, a client who relocates to another province may apply for social assistance in that province, subject to the normal eligibility requirements.

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- 9. Does your country have reciprocal agreements covering social assistance with any other countries? If yes, which countries?**

No.

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- 10. Are recipients of social assistance required to be seeking work? If so, how does this vary for different groups, such as lone parents and people approaching retirement age?**

Social assistance programs include a number of measures designed to promote the entry or re-entry into the active labour force of able-bodied unemployed clients. These measures may include different exemption levels on assets and income than for the general caseload, different benefit levels and a wide range of employment support services and programs, some of which may be compulsory for clients in this category. Some provinces may require unemployed employables, depending on their circumstances, to sign (and adhere to) an individualized contract that stipulates training and rehabilitation measures to be undertaken in order to regain financial independence. As a general rule, though, assistance may be granted to unemployed

employable applicants only when the administering authority is satisfied that:

- any current unemployment is due to circumstances beyond the person's control;
- the person is willing to accept suitable employment or to engage in academic upgrading, retraining or other measures to reach a state of job-readiness; and
- the person is making reasonable efforts to secure employment.

Treatment of single parents and clients approaching retirement age varies greatly. In some provinces, a single parent is considered "unemployable" (and expectations concerning employment or training are waived) until the youngest child in the household reaches 12 years of age; at the other extreme, some provinces require single parents to actively seek and accept employment or training opportunities as soon as the youngest child in the family is six months old. Most Canadian provinces have recognized that unemployed people over 50 (or 55, in some places) are at a disadvantage in the labour market (especially with official unemployment currently running at over 10% nationally), and they tend to relax job search requirements for clients above that age bracket (or, at the very least, they consider each such case on its own merit).

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11. How are people required to demonstrate that they are 'seeking work'?

Some provinces require an employable client, as a condition of continuing eligibility, to agree to submit written confirmation of active job search upon request (sort of an honour system with the possibility of a demand for proof) by the administering authority. Other provinces require employable clients either to re-apply for assistance each month (and thus to report to a worker on a regular basis concerning their attempts to find work) or to submit a specific list of potential employers contacted or interviews attended. In some cases, the administering authority may even stipulate the minimum number of such contacts or interviews per month (depending on the economic circumstances of the province and the personal situation of each employable client).

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12. What links exist between receiving social assistance payments and participation in training or special work schemes? To what extent are these compulsory?

Each province's social assistance legislation contains a list of possible sanctions which may be imposed where an employable client refuses or abandons work or training which is deemed (by the administering authority) to be appropriate to that client's situation. These potential sanctions include suspension, reduction or termination of benefits. The actual level of enforcement of these sanctions varies across provinces; within each province, they are enforced with more or less vigour, depending on the prevailing economic, political and labour market realities. Québec is the only Canadian province which applies its

regulated sanctions⁽⁴⁾ systematically in all cases of refusal or abandonment of work.

Many provinces have special employability enhancement measures which are offered to clients in various stages of job-readiness; these might include remedial education courses, on-the-job training, and community works projects. These special measures are not compulsory, and clients who participate usually receive supplementary assistance in recognition of the extra costs they incur, such as those for day care and transportation.

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13. Are there any other opportunities or requirements for social or economic integration linked to receipt of social assistance? An example might be the 'contracts' entered into by recipients of the Revenu Minimum d'Insertion in France.

The Federal-Provincial Agreements on Enhancement of Employment Opportunities for Social Assistance Recipients (also known as the "four-cornered agreements") were signed in the mid-eighties by Health and Welfare Canada⁽⁵⁾, Employment and Immigration Canada and provincial departments responsible for social assistance and labour markets. Under the terms of these agreements, federal funds were diverted from the Unemployment Insurance program and the Canada Assistance Plan in order to facilitate the entry or re-entry of employable social assistance clients into the labour force. The agreement provided for increased participation levels by social assistance clients in federal training programs and pilot projects to improve job-readiness. Changes were also made to the *Canada Assistance Plan* to allow federal cost-sharing of certain provincial enhancements to their earnings exemption policies and their provisions concerning supplementary assistance to clients in their transition to work. All federal-provincial agreements are still in effect today.

The federal and provincial governments provide a wide range of programs and services to help Canadians improve their skills and employment prospects. Some of these initiatives include higher participation targets for social assistance clients, e.g., a particular training program may designate a certain number of available spaces for social assistance recipients.

Aside from the initial application for assistance⁽⁶⁾, the only real "contracts" entered into by social assistance recipients are action plans for employables (see question #10) and reimbursement agreements (see question #53).

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14. Are people allowed to work while receiving social assistance? If so, under what circumstances and for how many hours per week?

Yes. There are neither conditions nor restrictions concerning eligibility of an employed applicant or recipient in any provincial social assistance

program, except that net income from work exceeding exemption levels reduces benefit entitlement ([see question 27](#)).

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15. Is eligibility for social assistance based on individuals, families or households?

Eligibility is established on a "household" basis. A household may consist of a single person, a married or common-law couple with or without children, or a single parent with one child or more. ("Case", as used elsewhere in this questionnaire, has the same meaning as "household".)

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16. If it is based on families or households, which members of a family or household would normally be included within the 'benefit unit'?

The applicant, his or her spouse and any dependent children, as well as any other person residing in the household who is included in the benefit unit for the purpose of calculating benefit entitlement. ([See also question #20](#))

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17. Can either partner in a couple claim social assistance for the family or household? If so, what rules apply to which person should claim and to whom would the benefit be paid?

Depending on the province, assistance may be paid to the person who applies, to his/her spouse (where the recipient is unable to manage the household budget), or to both spouses jointly.

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18. Under what conditions are two adults living in the same household counted as a cohabiting couple for benefit purposes?

See next question. Same-sex couples must generally apply as two separate households sharing accommodation.

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19. In what circumstances might a lone mother be treated as part of a cohabiting couple for benefit purposes?

Different provinces consider a number of factors in determining whether two adults living together should be considered as man and wife, including:

- parenthood (a child or children born to those two adults)
- financial interdependence (joint credit cards or bank accounts, etc.)

- family interdependence (couple presenting themselves in the community as man and wife)
- "official" shared residence (public records show the same permanent address for both adults).

Since 1987, Ontario has harmonized its *Family Law Act* provisions with social assistance policy. In that province, a spousal relationship (and hence, an economic interdependency) is **not** deemed to exist until the applicant or recipient has resided continuously with a person of the opposite sex for a period of three years (except where they become the parents of a child, in which case they are considered a couple from the date of the child's birth). During the cohabitation period, however, the other adult is deemed to be contributing an amount to the client's household for room and board, and the client's entitlement is reduced accordingly.

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20. Can other related adults living in the household claim benefit separately? (for example, an unemployed adult daughter or son living with unemployed parents)

Yes. **Any** adult applicant who is sharing accommodation with a person (or a family) who (which) is not included in that applicant's household for needs-testing purposes must apply in his or her own right, and benefit levels are reduced according to provincial formulae. Where two (or more) such households are applying for (or in receipt of) social assistance, the shelter allowance paid to each household sharing the accommodation is an appropriate proportion of the actual shelter cost, subject to shelter allowance ceilings⁽⁷⁾. An adult applicant who is boarding receives a lower (board and lodging) allowance than if the person is in a fair-market rental situation; where the applicant is providing board and lodging to a non-recipient, an amount is included in the applicant's non-exempt financial resources as board and lodging income, whether or not that income is actually received.

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21. What children can be included in a claim? Would any of the following be treated differently?

- natural children
- grandchildren
- stepchildren
- foster children
- adopted children

The applicant's household for needs-testing purposes includes any child who is ordinarily living with him or her and towards whom the applicant has a maintenance obligation. In most provinces, this could include any children in the above list (**except** foster children); any amounts received by the applicant for the child's maintenance (e.g., a contribution by a child's natural parent(s) received by a grandparent who is actually caring for the child or an adoption subsidy) are considered as non-exempted income for the household.

With respect to foster children under provincial child welfare programs, foster care allowances and additional coverage for special needs cover all needs of the foster child. There are also children in the social assistance system who are being cared for by someone other than a natural parent (usually a relative), because their natural parent is unable or unwilling to provide for their care. In such cases, eligibility for social assistance is established for the child in his or her own right, and payments are made to the guardian on the child's behalf.

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22. Up to what age are children defined as 'dependent' for benefit purposes?

A dependent child is one who has not reached the age of majority (18 or 19, depending on the province). In most provinces, a child who reaches the age of majority and who is either disabled or attending an approved educational program may stay on the family budget as a dependent child if it is in the best interests of the clients involved.

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23. Whose income or resources in a household or family are taken into account when assessing claims for social assistance? Can the incomes of other non-resident family members be taken into account when assessing benefit entitlement?

The needs test ² takes into account the income of all members of the household who are included for benefit calculation purposes.

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24. What forms of income and resources are taken into account when assessing people for social assistance, and which are disregarded? For example, how are sources of income such as the following treated?

- earnings
- children's income
- child support (i.e., maintenance paid by a parent no longer living with the family)
- other social security benefits
- training allowances
- investment income
- income from sub-tenants and lodgers
- the value of an owner-occupied house
- gifts
- payments from charities

The needs test ² consists of a two-part process of determination of the financial resources of each applicant household. The first part involves determination of liquid and fixed (property) assets to establish whether the household is asset-eligible; the second part of the needs test involves comparing the applicant's non-exempted income and the needs of his or

her household, in accordance with regulations established under the province's social assistance act or similar statute.

Income from all sources is examined in the calculation of entitlement to social assistance. Whether through program regulations or policy guidelines, each province stipulates how specific types of income are considered, in order to ensure that all applications are treated in the same manner. Some types of income, such as workers' compensation benefits or an Old Age Security pension and, in most provinces, child maintenance or alimony payments, are defined in legislation or policy as "unearned" and thus totally available for current maintenance. The net effect of unearned income is to reduce the amount of social assistance payable dollar for dollar. Other types of income, including the federal Child Tax Benefit⁽⁸⁾, Child Welfare payments to foster parents and some special donations from charitable organizations (for example, to replace furniture lost in a fire) are totally exempted in most provinces in the calculation of financial resources; the household's social assistance entitlement is thus unaffected and its financial well-being improved. Partial exemptions on earned income are allowed to encourage attachment to the work force; policies concerning these exemptions are covered in greater detail in [questions 25](#) and [27](#).

Partial exemptions are also allowed in some provinces on income from other sources such as room and board or property rentals. Part-time employment earnings of dependent children attending school and irregular income or casual earnings of other members of the household are totally or partially exempted, depending on the province.

In the determination of financial eligibility, a welfare authority may include imputed income in a household's financial resources, even though that household is not actually receiving money from any particular source. The most common examples of income imputation are situations where the applicant is living rent-free in return for janitorial services or as a result of shelter payments made by an absent or deserting spouse directly to a landlord, or where an applicant's excess property is deemed to be producing regular income ([see question #26](#)).

In most provinces, a person or family may receive social assistance while awaiting benefits from another program such as Unemployment Insurance (UI) or a lump sum payment of unearned income. Because the needs test ² takes into account all current and anticipated income, including non-exempted benefits and payments covering retroactive periods, client households may be required to sign an agreement to reimburse some or all of their social assistance covering those periods once they receive the benefit or payment.

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25. In the means-test, are earnings counted gross or net of tax, national insurance, and private pension payments?

Nova Scotia's provincial social assistance program (the Family Benefits program) uses gross income as the amount against which earnings exemptions are calculated. All other provinces use a net income formula, allowing deductions for income tax (except under Manitoba's provincial Social Allowances program) and other compulsory

deductions, including contributions towards Unemployment Insurance and the Canada Pension Plan (or the Québec Pension Plan, for residents of that province), union dues and private pension plans. In addition, clients attempting to integrate or reintegrate into the labour force are generally granted deductions for the (approved) work-related expenses they incur.

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26. How are assets such as capital, cash savings or property treated for means-testing?

Each province establishes by regulation the definition of liquid and fixed assets, as well as the exemptions allowed against those assets. Where an applicant's non-exempted liquid assets exceed allowable levels, the excess amount must be expended before eligibility for social assistance can be established. Where the value of non-exempted fixed assets is higher than allowable levels, the applicant may be required to dispose of the excess property at fair market value within a certain period of time as a condition of eligibility; a time-limited "administrative" exemption of the property is usually granted in such cases. In some cases, income is imputed from the excess property (as if it were money in the bank, generating interest); such imputed income is totally non-exempt in the needs-testing process, i.e., the client's entitlement is reduced dollar for dollar.

Certain exemptions are allowed with respect to actual and potential liquid assets and property of an individual or family applying for social assistance; any non-exempted assets are deemed to be available for current maintenance of applicants and their dependants. In all provinces, asset exemption levels vary in accordance with case classification (employable, disabled, etc.) and the size of the applicant's household. The highest asset exemption level across all provinces apply to needy handicapped persons; these are \$3,000 for a single person and \$5,500 for a couple. Exemption levels are lower for other client categories, the lowest being the young, single, employable person in most provinces.

Homeowners applying for social assistance are not required to sell a principal residence (of reasonable value⁽⁹⁾), household effects and a reasonably-priced car as a condition of eligibility. Assistance may be withheld, reduced or terminated where applicants or recipients have dissipated, spent, or otherwise dealt with their liquid assets or other property in an unreasonable manner, including assignment or disposition of property for insufficient compensation (in order to qualify for assistance or a higher benefit level).

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27. At what rate is benefit withdrawn as income increases?

The net effect of unearned income (as defined in provincial regulation) is to reduce the amount of social assistance payable dollar for dollar. (see question #24)

Where the source of income is employment, a partial exemption on earnings may be granted on that income as an incentive for the individual or family head to gain or regain financial independence. The actual calculation of the earnings exemption varies among provinces. Some use a flat-rate monthly exemption (beyond which benefits are reduced dollar-for-dollar), while others allow for a flat-rate basic exemption plus a proportional exemption on any earnings exceeding the basic level, e.g., \$100 per month plus 25% of income exceeding \$100. Nova Scotia's Family Benefits program (for cases likely to be on assistance for a prolonged period) allows a flat 25% exemption on **all** earnings (starting with the first dollar), but the exemption is applied against **gross** work income (other provinces use a net income formula).

In some provinces, the earnings exemption provision applies only *after* initial eligibility has been established (i.e., an applicant's employment income may not be reduced using the earnings exemption in order to establish eligibility for social assistance).

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- 28. In the UK, certain groups such as women working from home as childminders receive special treatment in social assistance, so that only one third of their earnings are counted in the means-test. Are there any groups which receive similar special treatment in your social assistance schemes?**

Income from self-employment (including childminding) is treated differently from wages or salaries in all provinces. Clients who provide child care services in their homes may be allowed to offset expenses against gross income, and then apply the prevailing earnings exemptions to their net income (although some provinces allow larger deductions for operating expenses and no further exemptions).

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- 29. Can people who are self-employed or whose business is failing claim social assistance? If so, what conditions apply and how are their earnings assessed for benefits?**

Self-employed persons and farmers may qualify for assistance in most provinces, usually subject to a professional assessment of the viability of the business or farm operation and always in accordance with special rules concerning assets and income.

Financial eligibility is based on current accounting practices (with respect to asset valuation and netting-out of income). Some provinces have specific rules which apply to clients in these two groups (such as a maximum value on the client's equity in business- or farm-related assets); exemptions for work-related assets are allowed in most provinces.

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- 30. Can any deductions be made at source from social assistance payments? For example, for arrears of rent or fuel costs to be paid to another person or organisation, for repayment of social loans, or to take into account the presence of non-dependent young people or adults in the household.**

As a general rule, provincial social assistance does not cover debt repayment or arrears of rent or fuel costs. Social assistance payments cannot be garnisheed for any reason.

Once the budgetary requirements of the applicant's household have been established in accordance with provincial regulation (based on family size, basic and special needs, client category, etc.), the maximum entitlement is subject to the following deductions:

- chargeable or unearned income, including any real or imputed income exceeding exemption levels,
- reductions in cases of shared accommodation,
- reductions where an employable client refuses or abandons suitable employment,
- reimbursement by the client of amounts received as assistance under the terms of an agreement while awaiting income from another source,
- other deductions proper to specific provinces, and
- recovery of social assistance overpayments (percentage of entitlement or minimum monthly cash amount).

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- 31. Do people receiving social assistance pay contributions towards social insurance benefits, pensions or medical costs? If so, do they receive credits for these or are they expected to pay contributions from their benefit payments?**

Social insurance contributions, i.e., contributions to the Unemployment Insurance Fund and the Canada Pension Plan (or the Québec Pension Plan, for residents of that province), are compulsory for most Canadians in the labour force. Social assistance clients who are employed are subject to the same contribution rules as any other worker, but work income is "netted out" in most provinces (i.e., they receive a "credit") for social assistance purposes (see question #25).

Social assistance clients are entitled to the same insured health services, i.e., physician and hospital services, as the rest of the population under the health insurance program of their province⁽¹⁰⁾. Some non-insured health services (e.g., eyeglasses, dental services, prescription drugs) are covered under social assistance in most provinces, although there are often restrictions which apply, especially to new clients or employables. Social assistance benefits are not taxable, but they are considered in the determination of eligibility for some types of income-tested benefits (such as the federal Child Tax Benefit).

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- 32. Is social assistance available for an indefinite period, or are there**

time limits? If so, are there different time limits for different types of claimant, e.g., lone parents and unemployed adults?

There is no time limit to social assistance entitlement, provided that the applicant's household remains eligible in accordance with the financial, categorical and administrative requirements of the province where he or she is receiving benefits (see question #3). Some provinces require able-bodied unemployed adults to formally re-apply for assistance every month, as a means of monitoring more closely the efforts of those clients to integrate or reintegrate into the work force.

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33. Are your social assistance schemes governed by national regulations? If not, are they governed by regulations made at regional or municipal level, or are decisions made mainly at the discretion of officials?

The *Canada Assistance Plan ("CAP")* and the regulations established under its authority set a framework for federal contributions towards approved social assistance program costs (and those of other specified services and programs). The federal legislation does not govern provincial programs; rather, it sets certain cost-sharing conditions which provinces must respect to obtain a federal contribution towards their costs. In order to qualify under CAP, a social assistance program must meet the following criteria:

- eligibility must be based solely on the needs test ², as described in question #3,
- no minimum period of residence in the province or in Canada may be imposed as a condition of eligibility, and
- the program legislation must include provision for an appeal mechanism for applicants and recipients who feel aggrieved by a decision pertaining to their case.

Agreements signed with each province in the area of social assistance and federal guidelines on assistance provide further conditions respecting the federal contribution terms (for example, how much a province may offer by way of asset and earnings exemption levels). Provinces which choose to exceed certain CAP guidelines are responsible for the costs they incur as a result.

Each province has a social assistance statute and one or more regulations established under its authority. The three two-tier provinces (see question #2) have separate legislation for their provincial and municipal programs - either two distinct statutes and their respective regulations, or (in Manitoba's case) a provincial statute with separate provincial and municipal regulations.

In Nova Scotia and Manitoba, each municipality (or county) establishes its program under a By-law in accordance with provincial regulation, while Ontario municipalities administer basic social assistance in accordance with the provincial *General Welfare Assistance Act* and Regulation.

Although provincial social assistance policy is rooted in statutes, regulations and policy manuals, there are many program areas where

administrative discretion plays a significant role in the real world. Depending on the province, this discretionary authority may be delegated to the caseworker, the area manager or the provincial social assistance director, and it could include:

- discretion to approve a grant of emergency assistance without complete verification of a client's circumstances;
- discretion to grant an administrative exemption of the value of certain assets exceeding exemption levels (pending their disposal at fair market value);
- discretion to waive recovery of overpayments or to reduce the rate of recovery where undue hardship would otherwise result;
- authority to decide whether employable clients are making reasonable efforts towards self-sufficiency (either by seeking and accepting suitable employment, or availing themselves of reasonable training opportunities);
- discretion to impose sanctions ranging from benefit reductions to suspension of benefits⁽¹¹⁾ where an employable client is clearly not making any attempt to achieve self-sufficiency;
- discretion to grant certain types of special assistance (e.g., household furnishing replacement allowances).

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34. Are rates of benefit fixed nationally, by state, regionally or at the level of local municipalities?

Social assistance benefit levels are set by the provincial authority for all client categories in all provinces except Nova Scotia, where each municipality sets rates of assistance for employables (subject to provincial standards). In Manitoba, the province regulates municipal assistance rates throughout the province since April 1993 under the Municipal Assistance Regulation; as at January 1994, the City of Winnipeg (which accounts for close to 90% of the municipal assistance cases in the province of Manitoba) pays a municipal supplement in addition to the provincially-regulated benefit.

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35. If there are fixed rates, how are they set? For example, are they determined in relation to a national minimum wage or the levels of other social insurance benefits? Is there an accepted minimum income or poverty line? Or are they determined by the cost of a defined 'basket of goods'?

Each province⁽¹²⁾ establishes its own rate structure by regulation (or policy guideline, for some types of assistance). Actual entitlement varies according to the circumstances of each case, including client category, family size and composition, shelter situation and cost (tenancy, home ownership, shared accommodation, room and board, etc.), unexempted income from various sources and other variables. Most provinces use a "pre-added budget" approach, which combines non-shelter needs under a single support allowance with shelter-related costs paid separately up to specified maxima, while a few have chosen to grant assistance based on individual rate scales for each of the basic need components. Depending on the province, maximum shelter allowance levels may be

established at the local/regional level (based on prevailing rates in that area) or for the entire province. Variables affecting the amount of shelter allowance payable may include the number of beneficiaries in any given household, the type of living arrangement (home ownership, tenancy, public housing, etc.), and the cost of heating fuel and utilities. In Quebec and New Brunswick, all basic needs including shelter are combined into a "global" benefit; where actual shelter costs fall short of minimum levels set by regulation in those two provinces, the difference is deducted from the household's social assistance entitlement.

The "basket of goods" approach and Statistics Canada's low-income cut-offs (considered by some social advocacy groups as Canada's unofficial poverty lines) are not as relevant in the process as are the Consumer Price Index changes and provincial program and fiscal policies.

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- 36. If there are fixed rates, are they uprated each year? If so, how? For example, indexing by prices, indexing by wages, or by special decisions of central or local government.**

Social assistance rate increases are based on cost-of-living increases or, in Québec (for unemployables), in relation to the Québec Pension Plan indexation formula. Provinces generally use the "ad hoc" approach to rate adjustments, whether by regulation stipulating that the Minister (or, in other provinces, the Lieutenant-Governor-in-Council or the director of social assistance) shall determine the periodicity and the amount of such increases, or by tradition (i.e., annual rate increases based on various economic indicators). Until recently, most provinces traditionally indexed their maximum social assistance rates once per year (at the beginning of the calendar year or the beginning of a quarter) as a rule; since the recession of the early eighties, however, all provinces have frozen or even decreased their maximum rates of assistance - especially for employable singles and childless couples - or delayed the implementation of a rate increase at least once.

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- 37. If payments can vary between different states, regions or municipalities, do they operate within a national framework, and are there upper and lower limits?**

[See question #34](#)

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- 38. If there are national fixed rates, what are the maximum amounts available and how are these amounts made up? Please give the rates (for each social assistance benefit) at both 1 May 1992 and 1 May 1993 assuming the claimant has no other income or resources. Please supply the amounts in the national currency per calendar month even if the benefit is paid over a different period (e.g., for benefits paid weekly the amount is weekly payment x 52/12).**

Not applicable

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39. If there are no fixed rates or the rates are fixed by state or locality, please give an example of this variation, by providing the rates of benefit paid at May 1992 and May 1993 for the areas specified in the accompanying letter [provinces of Ontario and Newfoundland].

Maximum benefit entitlement in all Canadian social assistance programs is provided for in provincial legislation. The calculation of the actual amount payable varies according to the circumstances of each case, including client category, family size and composition, shelter situation and cost (tenancy, home ownership, shared accommodation, room and board, etc.), unexempted income from various sources and other variables. The table below provides sample **maximum** basic monthly social assistance rates for the two provinces which were chosen for the purpose of this study.

Sample Maximum Monthly Basic Social Assistance Rates*				
Client Categories	Ontario		Newfoundland	
	May 1992	May 1993	May 1992	May 1993**
Single employable person	\$646	\$663	\$335	\$335
Single disabled person	911	930	542	542
Single parent, one child	1,188	1,221	913	913
Couple, two children	1,538	1,576	990	990

Notes:

* These rates are in no way representative of the relative well-being of social assistance households in Ontario compared to those of Newfoundland (because of significant differences in the cost of living in the two provinces and differences in program coverage). Nor are the above rates measurable against standards of adequacy, such as the Statistics Canada Low-Income Cutoffs, because they are not comprehensive. They do not include allowances provided under social assistance schemes for a wide range of **special needs** related to age, disability, employment, education and training; also excluded (for the purpose of determining the client household's **total** disposable income) are benefits available from other provincial and federal programs and which are exempt in calculating entitlements.

** Newfoundland social assistance rates have remained unchanged since April 1992 as a result of provincial budgetary restraints; several other provinces froze or even reduced basic and special assistance coverage during 1993.

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40. Are social assistance benefits intended to be sufficient to cover all a person's needs, including housing costs, or is there a separate income-related housing allowance or rebate scheme?

Social assistance needs-testing covers all shelter requirements of an eligible client household (see question #35).

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41. If there is a separate scheme for housing costs, please describe this briefly, including the means-test and how this differs from that for other social assistance benefits.

The Canada Mortgage and Housing Corporation⁽¹³⁾ (a federal agency) and its provincial counterparts provide a wide range of housing assistance programs to the general population, including non-profit housing, rent supplements (a rent-to-income scale and adjusted household income are used to calculate eligible tenants' rent), residential rehabilitation assistance, rural and Native housing assistance, emergency repair assistance, etc. Some of these initiatives are joint (and cost-shared), while others are unilateral, i.e., funded and administered entirely by one level of government.

Because social assistance schemes cover actual shelter costs up to maximum levels set by each provincial authority, clients of social assistance residing in social housing units do not actually receive supplementary shelter benefits beyond their normal social assistance entitlement. Clients residing in social housing are nonetheless generally better off than those in similar circumstances living in the open housing market, who often have to use part of their support (non-shelter) allowance to make up the difference between their social assistance shelter allowance and the actual cost of their accommodation.

The number of social housing units available for low-income households (including social assistance clients) varies by province.

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42. Do housing benefit payments cover:
- public or social rented housing
 - private rented housing
 - mortgage interest payments for people buying their own

homes?

Persons in need who are eligible for social assistance receive a shelter allowance as part of their entitlement under that program. The shelter allowance may be applied either to the cost of rent or mortgage payments; the amount granted is based on the **actual** cost of shelter up to a maximum stipulated in regulation or policy. In Québec and New Brunswick, the client household's benefit level is calculated on a global basis, i.e., the shelter allowance is a fixed amount which is established administratively in relation to prevailing shelter costs and combined with assistance for other basic needs.

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43. If people receiving social assistance can get help with paying mortgages, does this meet the full cost of repayments (i.e., capital and interest payments) and can it be paid indefinitely?

Social assistance shelter allowances cover rent or mortgage payments at actual cost up to maximum levels stipulated by regulation or policy (see [question #42](#) for exceptions). Some provinces have specific rules that apply in those situations where a client is paying off a mortgage, such as requiring the person to reimburse the government for any increase in his or her equity in the home while on assistance.

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44. Is there a separate income-related benefit for families in work? If so, please describe this briefly, giving the amounts payable in 1992 and 1993, how these vary with age and number of children, the rules governing the type and hours of work and how the means-test is applied. If the scheme is based on tax credits rather than cash payments please explain how it works.

Three Canadian provinces have separate income-tested programs which are designed to help low-wage earners stay in the labour force.

Québec's **Parental Wage Assistance (PWA)** program provides incentives for workers with modest incomes and with dependent children to remain in the work force and for recipients of Unemployment Insurance or social assistance with dependent children to join or rejoin the work force. PWA offers a non-taxable asset-tested supplement to employment income, reimbursement of a portion of eligible child care expenses, where applicable, and a special benefit toward high shelter costs. The maximum annual assistance available under these three components of PWA in 1993 ranged from almost \$5,800 for a single parent with one child to over \$7,000 for a household comprising two adults and two children (assuming child care costs of \$2,500). For 1992, the corresponding range was from \$5,299 to \$6,626.

Manitoba's **Child Related Income Support Program (CRISP)** is an asset-tested and income-tested program which provides non-taxable cash assistance to low-income families with dependent children under 18 years of age and eligible for the federal Child Tax Benefit. The maximum benefit of \$30 per month per child (unchanged in 1992 and

1993) is available to a family whose net income is \$12,384 per year or less (the netting-out formula is different for CRISP benefits than for regular social assistance in the province). In determining financial eligibility, the calculation is based on total family income for the tax year immediately prior to the benefit year for which an application is made. CRISP benefits are considered as part of social assistance entitlement for eligible families (i.e., CRISP is not payable as a supplement to social assistance).

Saskatchewan's **Family Income Plan** provides asset-tested financial benefits to low-income earners with dependent children under 18 years of age. Since July 1993, maximum benefits payable are \$105 per month for each of the first 3 children and \$95 per month for the fourth and each subsequent child. Maximum benefits payable in 1992 were \$100 per month for each of the first 3 children and \$90 per month for the fourth and each subsequent child. FIP benefits are not taxable, and they are considered as part social assistance entitlement for eligible families. Maximum benefits are payable to families where income is at or below \$8,700 per year (income is specifically defined in the regulations pertaining to the Family Income Plan).

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45. Are people receiving social assistance entitled to other services or goods? Examples might include:

- special help with medical costs
- education grants, including free school meals and help with uniforms
- means-tested relief from local taxes
- free or reduced price access to public transport or leisure facilities.

If such forms of help are available in your country, please give examples of the most important types and explain briefly how people may be entitled to them.

In addition to financial assistance for basic needs, social assistance programs cover a wide range of special needs and social services. Depending on the province, items of special need may include allowances and services related to age, disability, employment, education, training and other special circumstances. Social services (such as day care, visiting homemaker services, and counselling) are offered without charge to needs-tested clients of social assistance where such services are required, subject to availability. In the case of low-income households not receiving social assistance, a sliding fee scale is used to determine the client's cost of such services using an income test.

All provinces also include provisions in their social assistance legislation respecting health and institutional needs. Examples of relevant types of assistance may include comfort and clothing allowances for persons in need in designated special care facilities, payment of health insurance premiums (in premium-paying provinces (14)) and ancillary health-related benefits such as prescription drugs, dental care, vision care and prostheses. It should be noted, however, that not all provinces offer the same level of health-related coverage, and that this type of assistance is sometimes not even available to

certain categories of social assistance clients in some provinces.

Local property taxes are included in the shelter allowance of a client household which owns or is purchasing its residence.

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- 46. If there is more than one social assistance benefit or if there are other means-tested benefits linked to social assistance, how do they interact with each other? For example, in the UK the value of any family credit received counts as income when assessing entitlement to housing benefit.**

In all provinces, social assistance is the program of last resort which takes into account assets and income from all sources in the determination of need. Depending on the province, benefits received under other programs may or may not be exempted for social assistance entitlement purposes.

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- 47. Is there a scheme for meeting special or emergency needs, or one-off lump-sum requirements?**

The needs test² used in establishing social assistance eligibility takes into account basic and special needs, including any valid emergency needs of an applicant's household. Depending on the province, emergency assistance and certain types of crisis grants may be recoverable from the client.

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- 48. How do people claim social assistance benefits? For example, can they apply by post or do they have to make personal applications at the relevant office?**

All provinces require applicants to apply for assistance using the prescribed forms (except in emergency assistance situations), and to submit their application in person at the nearest office of the administering authority. A case interview must take place as a condition of eligibility, either in the client's home or in the worker's office.

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- 49. How often do people have to renew claims and how often are payments made?**

Provinces pay regular assistance monthly or semi-monthly and special grants to cover emergency situations as required in each case. Some provinces require a periodic formal re-application (for example, every month for young single employables and every quarter or once per year for longer-term cases); others require some or all of their clients to return the stub of their cheque every month as part of an ongoing verification process (sort of a monthly claim renewal).

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- 50. What sort of changes in people's circumstances do they have to report?**

- changes in financial circumstances, such as receipt of income from work or another source or the acquisition or disposal of an asset;
- changes in the household composition (family size); or
- any other change which might affect the client's eligibility or the amount of assistance to which he or she is entitled.

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- 51. How are payments made? For example, by credit transfer into bank accounts, by postal cheques, by an order book cashed at a local bank or post office, by cash at the social security office. Do people have a choice of methods, and if so which is the most popular?**

Depending on the province (and often the circumstances of each case), benefits may be granted either monthly or semi-monthly in one or more of the following ways:

- cheque
- cash
- direct arrangement for goods and services
- voucher or authorization
- direct deposit in the client's bank account.

Clients are usually given a choice of payment methods. There is a growing movement towards the direct deposit method (at least for long-term cases), since the automatic transfer of funds is simpler for the administrative authority and more convenient for the client. The least-favoured method⁽¹⁵⁾ is indirect payment (by voucher or third-party arrangement), which tends to be used mainly in short-term need situations or where the client is unwilling or unable to manage his or her financial affairs.

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52. Is there a home visiting service to check people's circumstances or to help people who have difficulty travelling to social security offices?

Some provinces require an initial visit by a worker to the home of the applicant as a condition of eligibility in certain cases. In recent years, the combined effect of decreases in the number of social assistance caseworkers and increases in caseloads across the country has made it difficult for clients to see their worker on any kind of regular basis in many Canadian provinces.

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53. If people are mistakenly paid more social assistance than they are entitled to, what arrangements exist for recovering these 'overpayments'?

Every province has established procedures to recover any social assistance granted to a person who was not entitled to such assistance because of an unreported change in household income or other circumstances, accidental or willful misrepresentation or fraud. Overpayments are recovered from client households by means of benefit reductions according to a variety of provincial formulae based on percentage of total entitlement or a monthly minimum reduction rate. Most provinces will consider reducing or deferring recovery where undue hardship would result.

In addition, certain forms of assistance granted by a province or a municipality may be conditional upon a formal agreement signed by the recipient to reimburse the government for such assistance (e.g., temporary assistance granted while an otherwise eligible household is awaiting a lump sum of money). Where it is reasonable to do so, most provinces will secure and pursue recovery of overpayments incurred by a client who subsequently leaves social assistance as a debt owed to the

Crown.

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- 54. Who apart from the immediate household of a person claiming social assistance might be liable for recovery of payments? For example, can payments be recovered from a divorced man or woman, where his ex-partner claims social assistance? If so does this only apply to payments for children? Does it apply where the couple were never married? Also, can payments be recovered from the estate of a claimant who has died?**

All provinces actively pursue ex-partners in situations where there is at least one child in the household of the single parent applying for social assistance. Single parents must agree, as a condition of eligibility, to initiate or enforce child maintenance proceedings against the absent parent for child support payments, or to subrogate the right to do so to the Crown. There are a number of situations where the pursuit of child support would be waived, such as family violence cases and defaulting absent parents who are themselves recipients of social assistance. Where a couple never married but are the natural parents of one child or more, the absent parent can be pursued for child support in the same manner as for a married couple separating or divorcing. Many provinces have increased enforcement of child support orders and agreements by enacting or strengthening legislation which allows for the garnisheing of salaries and other forms of income owing to non-custodial parents to recover arrears in support payments.

Pursuit of a former partner by a childless applicant for alimony or support is rare.

Where a client dies, any overpayments owing to the Crown may be recovered from the person's estate.

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- 55. What arrangements exist for controlling and detecting fraud in social assistance?**

The prevention and detection of fraud has become more of a preoccupation in provincial social assistance programs in recent years, given the limited program budgets and the caseload increases of the 1980s and the early nineties. Many provinces have hired special staff to investigate suspected fraud cases; these are initiated in the normal case review process (monthly or annual meeting between the worker and the household head to review the circumstances of the case) or, in some cases, because of a complaint or statement ("tip") from a concerned citizen. Others have broadened the scope and number of initial eligibility verification procedures for each applicant, checking out every detail of an applicant's circumstances (financial, family and work) much more meticulously than ever before to corroborate his or her statements.

Some of the other measures which some provinces use to control and detect fraud include:

- each application is checked by two separate workers to ensure that no stone has been left unturned in establishing eligibility (double verification),
- certain categories of clients (usually only employables) may be required to pick up their cheques in person as a condition of eligibility,
- social assistance benefits are deposited directly into a client's bank account, to reduce fraudulent reporting of lost cheques and to facilitate cheque-cashing for clients,
- information-sharing between jurisdictions and departments providing benefits under different programs has become more extensive.

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56. Do people have to have to show an identity card or number in order to claim social assistance?

Many provinces have studied the question of I.D. cards, photo I.D. cards and even fingerprinting as means of decreasing the incidence of fraudulent applications for social assistance. However, none has thus far implemented such a system, largely due to potential legal recriminations on the basis of infringement of applicants' human rights. Applicants are required, as a condition of initial eligibility, to produce any piece of information which might be required to substantiate their declarations concerning assets, income and family circumstances, including birth certificates and social insurance numbers; they must also sign a form authorizing an officer of the Department to verify any information pertaining to their situation, including bank accounts and other investments.

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57. Is there a system for people to challenge or appeal against administrative decisions on social assistance? If so, please describe how this works.

In all provinces, applicants or recipients are allowed to request an appeal where they are dissatisfied with a decision affecting their entitlement to social assistance. Some provinces have established limits on issues that may be formally appealed, while others allow individuals to question any determination bearing on their case. Appeal systems may consist of a provincial appeals board made up of several members appointed by the minister responsible for social assistance, a local review committee of a few community members, or both. In some provinces, even the decision of the appeal body is not final, depending on the nature of the appeal; the appellant may ask the provincial Ombudsman (where one exists) to intercede on his or her behalf, or challenge the decision in provincial court.

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58. Is the work of departments or organisations administering social assistance subject to scrutiny or review by other government or independent bodies, for example an Ombudsman? If so, please

briefly describe the arrangements.

All federal government departments are subject to scrutiny or review by the federal Auditor-General's Office (a government agency mandated to report on the efficiency and financial effectiveness of Government operations).

A similar monitoring function exists at the provincial level with respect to general government operations; depending on the province, this role belongs to the Auditor-General or the Provincial Auditor.

In addition, the Ombudsman's Office (in those provinces where it exists) may play an advocacy role in cases of alleged discrimination.

Since 1969, federal government social policies are closely monitored by the National Council of Welfare, an advisory body of some 20 Canadians⁽¹⁶⁾ drawn from across Canada and appointed by the Governor-in-Council. The mandate of the Council is "to advise the Minister [of Human Resources Development] in respect of such matters relating to welfare as the Minister may refer to the Council for its consideration or the Council considers appropriate". Since the mid-eighties, the Council has produced a half-dozen reports on social assistance in Canada, which are submitted to the Minister and also released to the general public and the media.

Scrutiny and review of social assistance programs is also within the purview of a number of other groups outside the public sector, including:

- the National Anti-Poverty Organization;
- university faculties, such as schools of social work or public administration (some of which produce journals and reviews in the area of public policy and social policy); and
- a number of for-profit and non-profit organizations from the left and the right, including the Fraser Institute, the C.D. Howe Institute, the Canadian Council on Social Development, the Caledon Institute of Social Policy, the G. Allan Roehrer Institute and a host of others.

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59. What role do non-governmental bodies such as charities, churches, trade unions or voluntary organisations play in providing or administering social assistance? Do any of these bodies receive specific state funding for these purposes?

Voluntary organizations such as food banks and soup kitchens have grown rapidly in all Canadian provinces, especially since the economic recession of the early eighties. They provide assistance which is complementary to the programs of last resort for persons in need. Few of these organizations receive any formal and sustained government funding, relying rather on public appeals and private arrangements with the food industry (wholesalers, supermarkets, restaurants, etc.) for ongoing support.

As a rule, churches do not play a direct role in the provision or

administration of social assistance; they provide some financial assistance on an individual basis in emergency situations, but their involvement in the field of social policy is more in the area of advocacy than program delivery.

Trade unions and big business (Canadian Labour Congress, Chamber of Commerce, Canadian Business Federation, etc.) have become much more actively involved in the social policy field over the years, because of the growing acceptance of the notion that social and economic policy are inextricably bound together.

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60. Are data collected on national expenditure on social assistance? If so, please supply figures for the last full year in cash terms and as a proportion of all expenditure on social security. If possible please also supply figures showing changes in expenditure since 1980.

Estimated Social Assistance And Social Security Expenditures

Year	Social Sec. Expenditures ¹ (\$000,000)	Social Asst. Expenditures ² (\$000,000)	SA as % of Total Sec. Sec.	Education ³ (\$000,000)
1990-91	121,600 ^e	8,883	7.3 ^e	43,000 ^e
1989-90	110,700 ^e	7,146	6.5 ^e	40,000 ^e
1988-89	102,900 ^e	6,826	6.6 ^e	36,000 ^e
1987-88	95,438	6,394	6.7	33,000 ^e
1986-87	89,368	6,124	6.9	31,000 ^e
1985-86	81,723	5,880	7.2	28,000 ^e
1984-85	75,956	5,522	7.3	27,000 ^e
1983-84	70,802	4,927	7.0	26,000 ^e
1982-83	65,033	4,155	6.4	23,181
1981-82	52,116	3,272	6.3	20,832
1980-81	44,988	2,839	6.3	18,068

e - estimate

1. Source is *Social Security Statistics*. Social security includes income security, social services and health services.

2. Source is *Social Security Statistics*. Figures represent an estimate of federal and provincial expenditures, exclusive of administrative costs.

3. OECD education costs. These are included in case you wish to include education in your definition of "social security".

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61. **Are separate figures available for expenditure on special assistance schemes paying one-off/lump-sum grants and loans? If so, please supply these.**

Not available nationally.

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62. **Are there separate figures available for the administrative costs of providing social assistance? If so, please supply the total for the last full year.**

These figures are not readily available in a consistent format for all provinces.

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63. **How is social assistance funded? For example, is it funded from general taxation, from a specific hypothecated social security tax, from employees/employers social insurance contributions, from local taxation, or by some other means?**

Social assistance is funded in part from the federal Consolidated Revenue Fund (general government revenues), in part from provincial government revenues, and, in those provinces which have retained a two-tier social assistance structure (see question #2), from local property taxes. It should be noted, however, that in single-tier provinces, municipalities still pay a portion of social assistance costs through the traditional municipal levy system (i.e., municipalities paying their proportional share of the cost of services delivered by the province for the entire population).

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64. **If non-governmental organisations play an important role in providing social assistance, do they receive funding from central or local government for this purpose? Please supply any figures available on social assistance funding to these organisations.**

See question #59.

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65. Please supply as many of the following statistics as are available:

- a. The latest available data on numbers of recipients of all social assistance benefits, by main client groups (lone parents, unemployed, young people under 25, people over retirement age, sick and disabled people)
- b. The number of children in families receiving social assistance
- c. The proportion of the general population receiving social assistance (by client group)
- d. The proportion of people receiving social assistance who also receive a social insurance benefit
- e. Numbers of recipients since 1980 (time series)
- f. Number of claims for social assistance in last full year and percentage success rate
- g. Estimated percentage take-up of social assistance benefits by those eligible (by main client groups)

Available information is summarized below. The following should be borne in mind:

- Provinces/territories administer their own social assistance programs, and no standard definitions or reporting mechanisms exist which permit the aggregation of reliable national data.
- Detailed data are generally collected on the **head of the case**; there is little data available on characteristics of all social assistance recipients. The term "**case**" is equivalent to a household, and may comprise a single person or a family. The term "**recipient**" refers to all persons in the case, and includes the head plus all other dependants (spouse and/or children where applicable).
- Detailed breakdowns of the caseload by target groups cannot be provided since categories are not mutually exclusive.

a- The following national caseload estimates are available:

- family structure estimates (see item b for table on cases and recipients for both March 1993 [most recent] and March 1992).
- **unemployed employables** made up an estimated 45% of the total caseload in March 1992. It should be noted that the definition of "employable" varies between provinces; for example, the employability status of a single parent is

based on the age of the youngest child in the household (among other factors), and this age varies among provinces.

- cases headed by a person considered as **long-term disabled** made up an estimated 20% of all cases in March 1992. Again, the definition of "disabled" varies among provinces.
- the estimated percentage distribution of cases by **age group** of the head, for March 1992 is as follows:

under 25	21%
25-29	17%
30-39	28%
40-49	16%
50-54	6%
55-64	11%
65+	1%

b- The number of children in families receiving social assistance

The following tables provide the estimated national breakdown of social assistance cases and recipients by family structure, for the months of March 1992 and 1993.

March 1993 Social Assistance Data				
	Cases		Recipients	
	Number	Percentage	Number	Percentage
Singles	924,500	57.2	924,500	31.1
Couples, no children	80,500	5.0	161,000	5.4
Couples with children	169,700	10.5	339,400	11.4
Single Parents	441,500	27.3	441,500	14.8
Children	not appl.	not appl.	1,108,600	37.3
Total	1,616,200	100.0	2,975,000	100.0

March 1992 Social Assistance Data				
	Cases		Recipients	
	Number	Percentage	Number	Percentage
Singles	840,900	57.1	840,900	30.9
Couples, no children	72,900	5.0	145,800	5.4
Couples with children	149,000	10.1	298,000	10.9
Single Parents	408,200	27.7	408,200	15.0

Children	not appl.	not appl.	1,030,100	37.8
Total	1,471,900	100.0	2,723,000	100.0

c- The proportion of the general population receiving social assistance (by client group)

Information is not produced by client group. The latest available data are for March 1993.

Total social assistance recipients, March 1993:	2,975,000
Estimated population, April 1, 1993:	28,665,900
SA recipients as % of population:	10.4%

d- The proportion of people receiving social assistance who also receive a social insurance benefit

For the month of March 1992, an estimated 3.3% of social assistance cases reported Unemployment Insurance benefits as income.

e- Numbers of recipients since 1980 (time series)

Data for both cases and recipients are summarized below.

as at March	Estimated # of Cases	Estimated # of Recipients
1981	734,300	1,418,400
1982	788,100	1,502,800
1983	985,000	1,832,900
1984	1,028,500	1,894,900
1985	1,058,000	1,923,300
1986	1,048,900	1,892,900
1987	1,051,700	1,904,900
1988	1,018,400	1,853,000
1989	1,022,100	1,856,100
1990	1,056,000	1,930,100
1991	1,239,000	2,282,200
1992	1,471,900	2,723,000
1993	1,616,200	2,975,000

f- Number of claims for social assistance in last full year and percentage success rate

Not available.

g- Estimated percentage take-up of social assistance benefits by those eligible (by main client groups)

Not available.

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66. Please specify the legislation which currently provides for and regulates social assistance.

The *Canada Assistance Plan* and Regulations are the federal legislative authority for contributions by the Government of Canada towards costs incurred by the provinces and municipalities in the provision of social assistance and welfare services to needy persons. Each province has at least one statute and one regulation⁽¹⁷⁾ which provides for and regulates social assistance, and some municipalities in two-tier provinces have by-laws for the administration of their program in accordance with provincial legislation.

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67. Does the legislation covering social assistance specify particular objectives for the benefit/s? If so, what are they?

The Preamble of the *Canada Assistance Plan* contains a statement by the federal authority that the provision of adequate assistance to persons in need and the prevention and removal of the causes of poverty and dependence on public assistance are the concerns of all Canadians: "the Parliament of Canada... is desirous of encouraging the further development and extension of assistance and welfare services programs throughout Canada by sharing more fully with the provinces in the cost thereof".

Provincial social assistance statutes do not contain any preamble. Most include a reference (in the first or second section of the relevant statute) to the granting of assistance to "persons in need", a notion which is defined in provincial regulation and which contains inherent objectives (because each province tailors its needs test² in accordance with its own political, economic and fiscal objectives). Québec's *Act Respecting Income Security* is the only provincial social assistance statute⁽¹⁸⁾ which actually identifies four specific income security objectives:

- "to grant last resort financial assistance to persons whose financial resources are insufficient to provide for their needs and the needs of their families;
- to grant such assistance taking into account the fact that the situations of persons presenting severe limitations in their capacity for employment differs from that of persons who are fit for work;
- to promote entry or re-entry in the labour market of persons who

- are fit for work and, concurrently, provide for persons already in the labour market or in a program of studies an incentive to remain in the labour market or in a program of studies; [and]
- to provide additional financial support to low-income families with dependent children if at least one adult member is in the labour market."

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68. Does your Government have any specific, stated policy objectives concerning social assistance at present? If so, please describe these briefly.

On January 31, 1994, the federal Minister of Human Resources Development (the Honourable Lloyd Axworthy) officially announced in the House of Commons that, as part of his Government's commitment to putting people back to work, a multi-faceted review and reform process of the country's social policies (including social assistance and Unemployment Insurance) would take place immediately.

Virtually all of the objectives of this review are relevant in the context of this study. They are as follows:

- "to meet basic labour market insurance and adjustment needs;
- to restructure the Unemployment Insurance Program and the Canada Assistance Plan to create a new form of employment insurance;
- to help people make the crucial school-to-work transition by providing a range of options in training, apprenticeship, community service and work;
- to broaden educational and training assistance to support life-long learning;
- to enhance support and care provisions for children;
- to redefine the distribution of work and rules of the workplace;
- to ensure that individuals with disabilities can achieve equality, independence and full participation;
- to seek a better balance between incentives for job creation and payroll tax levels;
- to ensure basic security for those in need;
- to redefine responsibilities between governments and strengthen cooperative arrangements to achieve savings through greater efficiency; and
- to design new "smarter" ways to deliver services and avoid duplication."

The federal government's Standing Committee on Human Resources Development will be examining the views of Canadians about social security and the job market and reviewing social policy options through the spring and summer of 1994, and the Minister announced that "Parliamentary consideration of actual legislation will take place in the fall or early next year".

Running parallel to this process, there will be extensive discussions with provinces and consultations with key sectors of society, including business, labour, social and community groups, aboriginal organizations and others.

The federal government has pledged that the reform of social programs will be completed in two years.

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69. What role is social assistance playing in your overall social security system?

Provincial and municipal social assistance programs, often called Canada's social security safety net of last resort, provide income to meet the cost of basic requirements of a single person or a family when all other financial resources have been exhausted.

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70. Have any significant changes recently taken place in your social assistance schemes, and are there any other current plans or proposals for substantial change in the future? If yes, what has changed and what is proposed?

Recent changes

- Since the mid-eighties, many provinces have enhanced their earnings exemption policies and transitional benefit packages (i.e., assistance to clients making the transition to work) as a result of the Federal-Provincial Agreements on Enhancement of Employment Opportunities for Social Assistance Recipients (see [question #3](#)).
- As part of the (federal) *Government Expenditures Restraint Act* of 1990, federal contributions to Ontario, Alberta and British Columbia⁽¹⁹⁾ under the *Canada Assistance Plan* were limited for 1990-91 to 1991-92 to an annual growth rate of 5% (over the 1989-90 base year); the next federal budget extended the 5% "cap on CAP" for a further three years, to the end of 1994-95. The affected provinces were thus required to find ways to contain expenditures, either by reducing caseloads or reducing social assistance coverage.
- Most provinces have gradually or radically reformed their social assistance programs over the last decade or so⁽²⁰⁾. Over that period, and especially since the beginning of the nineties, some moderate provincial reforms have been undertaken (e.g., making asset exemptions and income exemptions more or less generous for different client categories, freezing or even reducing rates of assistance, enforcing job search requirements more rigidly for employables). Others have chosen to overhaul their system (e.g., Québec implemented its new Income Security program¹⁸ between 1989 and 1990).
- The common thread which runs through all reform efforts, whether federal, provincial or municipal (in the two-tier systems where municipalities set their own social assistance policies) is the linkage of training requirements (and opportunities) with social assistance.
- Many provinces have split their social assistance system into two separate programs over the past few years (although some

have had this distinction since their inception in the sixties and early seventies). One such program type is designed for permanently unemployable clients requiring long-term income support and their dependants; these programs are known variously as Income Assurance, Assured Income, Financial Support, etc. The other program type is designed for those who can - some with extra assistance with remedial education or training - integrate or reintegrate into the labour force and achieve self-sufficiency. Generally speaking, the rules for financial, categorical and administrative eligibility (see question #3) are not as stringent for the unemployable clientele as for employables, and benefit levels tend to be more generous for this group as well.

Recent Proposals

- See question #68 concerning the announcement by the federal Minister of Human Resources Development of a full-scale review of Canadian social programs.
- Late in 1993, the Government of Newfoundland proposed a new Income Supplementation Program (ISP) for that province which would "supplement incomes for low-income individuals through a Basic Income Supplement that would be independent of earnings and a Work Supplement that would increase as earnings increased up to a maximum level. The ISP would be phased down as family incomes increased so that individuals in high-income families would not receive income supplementation". The same proposal calls for the creation of a new Educational Supplement (ES), which would "provide the means whereby all citizens who wanted to could pursue higher education or training". Financing for the ISP and the ES would come from savings generated through reforms to the Unemployment Insurance program and to social assistance and job creation in the province. Federal officials are currently studying the complete package of proposed measures.
- The Government of Ontario has undertaken the task of fundamentally restructuring social assistance by 1995. The reform philosophy is twofold; the province plans to "promote independence by encouraging job preparation" and to "provide fair treatment to all low-income families, including those with parents working full-time". The new approach will comprise three programs:
 1. the Ontario Child Income Program (income-tested monthly cheque to all Ontario low-income households with children);
 2. the Ontario Adult Benefit (needs-tested assistance for food, clothing, shelter and personal needs for adults in transition to work and for those who cannot work because of disabilities); and
 3. the JOB LINK program (providing an Employment and Training Allowance [instead of the Adult Benefit] to eligible clients to cover both basic needs and costs related to job preparation and job search activities).
- Other provinces have attempted or are attempting new approaches to welfare reform, including "expanding the continuum of training and education programs and services" (e.g., New Brunswick Works), supplementing earnings from work for certain categories of clients up to target income

levels ("Self-Sufficiency" projects in British Columbia and New Brunswick), or co-locating and harmonizing social assistance and training services.

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71. Does your government have an official view on the European Commission proposals for minimum income guarantees within the Union? If so, what is it? (EU countries only)

Not applicable

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1. Throughout the remainder of this questionnaire, all references to "provinces" will include the two federal territories (Yukon and Northwest Territories).
2. There are three main types of financial eligibility tests used in Canadian financial assistance programs. They are:
 - the **needs test**: takes into account assets, income, and needs, as defined in provincial legislation (i.e., social assistance programs);
 - the **income test**: based solely on the income of each applicant; benefit levels set by legislation, but not based on specific needs (e.g., federal Guaranteed Income Supplement for needy seniors); and
 - the **means test**: same as income tested program, but also includes an asset test (e.g., Manitoba's Child Related Income Support Program - [see question #44](#))
3. [See question #45](#) for more information on special needs.
4. Benefit reduction equal to \$100/month the first time an employable client refuses or abandons employment or loses his or her job without valid reason; further reduction of \$100/month (**not** applicable to sole-support parents) where a second such refusal, abandonment or loss of employment without valid reason takes place within 12 months of the first occurrence. ([see Q. 44](#), however, concerning additional supports).
5. Since late in 1993, the welfare mandate of Health and Welfare Canada has been combined with the employment (and Unemployment Insurance) mandate of Employment and Immigration Canada in the new Department of Human Resources Development.
6. The application process is in fact a contractual agreement between the applicant and the provincial government; the government agrees to provide needs-tested assistance and the client agrees to make reasonable efforts to gain or regain self-sufficiency and to report any changes in his or her circumstances.
7. This provision does not apply in Québec and New Brunswick, because these two provinces use a different benefit calculation method ([see question #35](#)).
8. Except in Saskatchewan, where a portion of the benefit is considered as chargeable income.

9. Québec is the only province which has established by Regulation the maximum market value of the home which an applicant or recipient may own without any reduction in his or her benefit level.
10. Health insurance programs are funded from General Revenue in all provinces except Alberta and British Columbia, where each household must pay a monthly premium for coverage; both provinces waive premium payments for social assistance client households.
11. Québec is the only province which imposes such sanctions systematically, on a non-discretionary basis (see question #12).
12. In Nova Scotia, municipalities set their own rates for basic and special assistance, and the province monitors these rates. In Ontario and Manitoba, the province sets standard rates for basic municipal social assistance by regulation.
13. Information concerning Canadian housing programs is available from the Canada Mortgage and Housing Corporation, 700 Montreal Road, Ottawa, Canada, K1A 0P7 (telephone: 613-748-2000, fax: 613-748-4897).
14. Health insurance programs are funded from General Revenue in all provinces except Alberta and British Columbia, where each household must pay a monthly premium for coverage; both provinces waive premium payments for social assistance client households.
15. ... because it is administratively cumbersome and it disempowers the client.
16. The Council's membership has included past and present welfare recipients, public housing tenants, persons active in low-income advocacy groups, as well as professionals (lawyers, doctors, professors, social workers) and others involved in the area of social services.
17. Two-tier provinces have different legislative structures (see questions #2 and 33).
18. The *Act Respecting Income Security* actually comprises two programs of last resort (the Financial Support Program for permanently unemployables and Work and Employment Incentives Program for employables) and the income-tested Parental Wage Assistance program (see question #44).
19. The three Canadian provinces which do not receive equalization payments from the federal government.
20. *Welfare Reform*, a 1992 report by the National Council of Welfare, examines welfare reform efforts on a province-by-province basis over the last decade. This report is part of a series on social assistance programs which dates back to November 1987, with the publication of *Welfare in Canada: The Tangled Safety Net*. Copies are available from the National Council of Welfare, 1010 Somerset Street West, Ottawa K1A 0J9 (telephone: 613-957-2961, fax: 613-957-0680).

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